

# Private rented selective and additional property licensing in Lewisham

## Evidence base for public consultation

Exploring the link between the private rented sector (PRS), antisocial behaviour, poor property standards, crime and deprivation in order to consider the need for selective and additional property licensing schemes in the borough

Spring 2019

## Foreword

Lewisham is a fantastic place in inner London and a diverse and growing borough. We enjoy proximity to the wider employment and cultural opportunities of the rest of London and the South East, and revel in our own unique and vibrant localities. Our people are passionate and engaging, and our distinctive communities take pride in coming together to protect and improve our borough for everyone.

We will continue to work with our vibrant local groups and public services to provide opportunities to our residents, support them to improve their quality of life and offer them the best chance to overcome any barriers they face.

We are aware of the challenges that face our citizens locally and of the important role our partners play in addressing them alongside us. We know it is only through strong and effective partnership work that we will deliver outcomes for our citizens.

Our [Corporate Strategy 2018–22](#) commits to tackling the housing crisis and ensuring everyone has a decent home that is secure and affordable. We are committed to improving standards across all housing sectors and therefore seek to implement a full borough-wide landlord licensing scheme. Our proposals aim to:

- help tackle the housing crisis
- improve standards in the private rented sector
- eliminate rogue landlords
- improve security, stability and decency for our residents in the private rented sector (PRS)
- help tenants feel safe in their homes through advice, support and effective enforcement
- support local landlords during and after the five year scheme
- inspect 100% of all licenced properties over the term of the scheme.

This report forms a key element of our public consultation. It summarises our data analysis work to demonstrate how we meet the requirements for the proposed selective and additional licensing schemes and provides details of how we intend improve the private rented sector in Lewisham as a result.

We hope that you will read the details of the report and submit your response to the consultation.

We look forward to hearing from you.

## Contents

Foreword.....	2
Introduction .....	5
Lewisham borough background and context .....	5
Case studies .....	6
Ambitions for licensing scheme .....	6
Legislation .....	7
HMO licensing schemes.....	7
Selective licensing .....	7
Strategic context .....	9
Strategic fit.....	9
Alternative options considered and the fit with existing initiatives .....	10
Alternative options considered.....	10
Fit with existing initiatives .....	11
Partnership work proposals.....	11
Identifying the PRS.....	13
Methodology.....	13
The PRS in Lewisham .....	13
HMOs in Lewisham .....	15
Detailed analysis .....	16
Antisocial behaviour .....	16
Data .....	16
Case studies .....	22
Summary .....	23
Crime.....	25
Data .....	25
Summary .....	30
Deprivation .....	31
Data .....	31
Summary .....	36
Migration .....	37
Data .....	37
Summary .....	39
Poor property conditions.....	40
Data .....	40
Summary .....	44

Designations.....	45
The proposed schemes .....	47
License conditions.....	47
Conditions of licence.....	47
Revoking of licence .....	48
Varying a licence .....	48
Sanctions .....	48
Fees .....	48
Appendix A: Case study.....	50

## Introduction

### Lewisham borough background and context

We recognise that suitable housing is central to creating dynamic and prosperous communities that are well-connected to the opportunities that London offers. We are committed to supporting Lewisham's citizens in accessing and living in good quality housing that improves their opportunities for employment, education, health and wellbeing.

Population growth, limited supply of new homes and the resulting increase in house prices have caused profound shifts in patterns of tenure (tenure is a term used to refer to whether a property is private rented from a private landlord, social rented from a council or housing association or owner occupied) across London and Lewisham. From 2007 to 2016, there has been a marked decrease in social renting from 34% to 28% and a decrease in owner occupation, whereas the private rented sector has increased. This now represents 25% of the total stock, up from 12% in 2001<sup>1</sup>. Figure 1 shows many neighbouring boroughs experienced increases in their private rented stock between the 2001 Census and 2011 Census, and Lewisham is no exception<sup>2</sup>. A significant amount of housing need is met by the private rented sector – a dynamic sector characterised by mobility.



Figure 1: Private rented sector growth – Lewisham and neighbouring boroughs

<sup>1</sup> Census 2001, data available at <https://www.nomisweb.co.uk/sources/census>

<sup>2</sup> Census data, available at <https://www.nomisweb.co.uk/sources/census>

Quality of housing in the private rented sector is of particular concern. An estimated 21% of households in the private sector were found to be living in unsuitable homes, with category one Housing Health and Safety Rating System (HHSRS) hazards.<sup>3</sup> We will not turn a blind eye to conditions that put the health and wellbeing of residents, including the growing number of children that now live in the private sector, at risk.

### Case studies

The proposed licensing schemes do not intend to penalise good landlords, but instead aim to help tenants identify good landlords through the online register of licensed properties.

The following are examples of conversations with other agencies in Lewisham, highlighting just a small number of cases to demonstrate the severity of the poor conditions and landlord practices in some privately rented homes:

- The landlord forced the tenants to move out of their studio for 13 days in order to pass an inspection, which would have made the property look like a one-bedroom flat, rather than two studios. The tenants received no compensation for this inconvenience.
- The landlord ignored complaints from the tenants about antisocial behaviour for over two years.
- The tenant complained to their landlord about a leak in the ceiling and was threatened with violence.
- The landlord had allowed the property to fall into disrepair and wanted the tenant to leave. She had no running water in the property, which she shared with her eleven-year-old daughter.
- The tenants lived in an overcrowded property, which was also mouldy. The landlord had chosen to evict the tenants rather than fix the issues.
- The tenant called the landlord to ask them to change the time at which thermostat came on. The tenant was told that she was being a disturbance. She was asked to leave the property within six days, when the tenancy agreement stated it had to be 30 days. The police found this to be a criminal eviction.
- The tenant reported that the heating did not work and there was no carbon monoxide detector, smoke alarm or fire extinguisher in the property.

### Ambitions for licensing scheme

The idea of introducing an all-borough selective scheme was considered in 2015, although there was a lack of robust evidence to support the need for this type of scheme. A review of the available information was carried out in 2018 utilising new techniques previously unavailable. The information gathered shows a clear link between private rented properties, antisocial behaviour, crime and deprivation. This means there is now clear evidence that a scheme is necessary and the introduction of a borough-wide selective landlord licensing scheme for privately rented homes has been adopted as a priority in Lewisham's [Corporate Strategy 2018–22](#)<sup>4</sup>.

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<sup>3</sup> Ibid.

<sup>4</sup> Lewisham Council, corporate strategy 2018-22, available at <http://councilmeetings.lewisham.gov.uk/documents/s61022/Draft%20Corporate%20Strategy%202018-2022.pdf>, page 19

## Legislation

Parts 2 and 3 of the Housing Act 2004 enable local authorities to introduce licensing schemes for privately rented homes.

### HMO licensing schemes

#### Mandatory scheme

This national scheme was most recently extended in October 2018 and is mandatory and thus is not included in the consultation. It requires all houses in multiple occupation (HMOs) that consist of five or more occupants from two or more households to be licensed by the local authority. A register of licensed properties is available on our website.

#### Additional licensing

Part 2 of the 2004 Act also enables local authorities to designate an additional licensing scheme for HMOs according to specific local criteria. The local authority must consider that a significant proportion of the HMOs in the area are being managed ineffectively, resulting in one or more particular problems, either for those occupying the HMOs or for the public.

The Housing Act 2004: Licensing of Houses in Multiple Occupation and Selection of Other Residential Accommodation (England) General Approval 2015 enables additional licensing schemes to be implemented following confirmation that the local authority has consulted persons likely to be affected by the proposals.

In 2017, following a public consultation, we introduced an additional licensing scheme relating to HMOs above commercial premises, where there are at least three people living in two or more households. The scheme also includes Section 257 HMOs above commercial premises. Section 257 HMOs are flats within converted buildings where the standard of the conversion does not meet that required by the Building Regulations 1991 or 2000 (whichever were in force at the time of the conversion) and fewer than two-thirds of the flats are owner-occupied.

We are now seeking to extend the current scheme with a new additional licensing scheme that incorporates all HMOs, whether or not they are above a commercial premises and all Section 257 properties.

#### Selective licensing

Under Part 3 of the 2004 Housing Act, a local authority can designate the whole or any part of its area as subject to selective licensing. In accordance with Section 80 of the 2004 Housing Act and The Selective Licensing of Houses (Additional Conditions)(England) Order 2015, known as 'the 2015 Order', a selective licensing designation can be made if the area to which it relates has a high proportion of private rented housing and is experiencing one or more of the following:

- low housing demand
- significant and persistent problems caused by antisocial behaviour (ASB)
- poor property conditions
- high levels of migration
- high levels of deprivation
- high levels of crime.

The local authority may apply for a designation for one or more of the above. Detailed guidance was

produced by the Department for Communities and Local Government (DCLG), now the Ministry of Housing, Communities and Local Government (MHCLG), to advise local authorities in making their application<sup>5</sup>. This document is hereafter referred to as ‘the Guidance Document’.

To be considered, any selective licensing scheme must form part of the council’s wider housing strategies, including homelessness, regeneration, antisocial behaviour and empty homes. The proposal must set out the role that partners will play in ensuring the designation reaches its goal and must first consider other courses of action that might provide an effective solution.

The evidence must demonstrate the proposals cover an area which is experiencing significant and persistent problems, and that some or all landlords are failing to take appropriate action to combat the problem. Also, that making a designation will lead to a reduction in, or elimination of, the problem.

This report addresses the above points and details the available evidence to demonstrate the extent to which each of the criteria listed above feature within the private rented sector in Lewisham. Low housing demand is not a feature of the housing market in Lewisham and thus this condition will not form part of the evidence base.

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<sup>5</sup> DCLG, selective licensing in the private rented sector, a guide for local authorities, March 2015, available at <https://www.gov.uk/government/publications/selective-licensing-in-the-private-rented-sector-a-guide-for-local-authorities>

## Strategic context

### Strategic fit

A borough-wide landlord licensing scheme directly supports a number of our corporate priorities in our Corporate Strategy 2018–22. These are:

Tackling the housing crisis so that everyone has a decent home that is secure and affordable.

- ↳ Improved standards across all housing sectors.
- ↳ We will seek to deliver a full borough-wide landlord licensing scheme.

Building safer communities so that every resident feels safe and secure living here as we work together towards a borough free from crime.

- ↳ Communities and individuals are empowered and supported to work in partnership with us and the police.
- ↳ We will continue to support the Lewisham Safer Neighbourhood Boards by working with partners, including the police, to focus on the needs of our local communities.

In addition, our corporate strategy commits to support residents to have a stronger voice and will support the launch of a private renters' union to give a voice to tenants living in the private rented sector.

The proposals for borough-wide licensing are in accordance with the objectives of the current housing strategy 2015–20, which incorporates homelessness and empty homes and commits to the following:

- helping residents at times of severe and urgent housing need
- greater security and quality for private renters, with a specific commitment to investigate the feasibility of establishing a licensing scheme for private landlords
- promoting health and wellbeing by improving our residents' homes.

The specific aims under the 'greater security and quality for private renters' objective are to:

- improve security and affordability for households living in the PRS
- improve conditions in the PRS in order to support the health and wellbeing of tenants
- reduce evictions from the PRS
- work together with our partners to improve conditions in the sector and target rogue landlords and the most dangerous properties.

In addition to the above, the housing strategy made a specific commitment to investigate the feasibility of establishing a licensing scheme for private landlords.

The housing strategy recognises the role that the private rented sector plays in meeting the needs of homeless households and the importance of ensuring properties in the private rented sector are affordable and of acceptable quality. The housing strategy action plan highlights the need to bring empty homes back into use as one option to provide good quality housing for homeless households.

The current housing strategy is due to end in 2020. Officers are in the process of drafting a new housing strategy for 2020–25. The importance of the private rented sector in providing accommodation to Lewisham's residents and the role of a licensing scheme to help improve standards within the sector are important considerations for the new strategy. The new housing strategy will go out for public consultation before being adopted.

Lewisham's current sustainable community strategy 2008–20 identified six shared priorities for the borough, including:

- being a safer borough, where people feel safe and live free from crime, antisocial behaviour and abuse
- being a clean, green and liveable borough, where people live in high quality housing and can care for and enjoy their environment.

Through the Safer Lewisham Plan, the borough partners and residents identified the following essential priority:

- reduction in harm and vulnerability being critical as part of an overall prevention, intervention and enforcement approaches.

The Safer Lewisham Partnership has committed to work to the Mayor's Office for Policing and Crime (MOPAC)'s Three-Year Strategy, and Lewisham's priorities are aligned to the MOPAC Police and Crime Plan 2017–21. In relation to ASB, the plan states: 'Policing alone cannot solve these kinds of issues [ASB], and for this reason we are encouraging police and councils to work together with a problem-solving approach, using all the powers and resources at their disposal to prevent antisocial behaviour and make our communities better places to live.'

## Alternative options considered and the fit with existing initiatives

### Alternative options considered

A number of other courses of action have been considered. These are:

#### *Maintaining current licensing arrangements*

The evidence presented demonstrates that additional measures are needed to bring up standards in the private rented sector and this cannot be achieved under the current arrangements. Lewisham's current additional licensing scheme is specifically targeted at HMOs above commercial premises and therefore only covers a small proportion of private properties. Officers have experienced a significant amount of resistance from landlords who dispute that their properties fall within the requirements of either the mandatory or additional licensing schemes. This has meant the process to license properties to date has been very labour-intensive, focusing on proving the case, sometimes through court, rather than tackling disrepair and poor landlord practice.

#### *Introducing only borough-wide additional licensing for HMOs*

It is not currently straightforward to identify HMO properties. Additionally, when properties have been identified, landlords often challenge the need to license their property. The data shows that issues exist across the private rented sector and an additional scheme alone would not solve these problems.

#### *Introducing selective licensing to less than 20% of the borough*

The problems identified with the private rented sector extend across the borough and it is therefore necessary to pursue a scheme to tackle issues in all the identified areas, not just a small area.

#### *Voluntary accreditation*

We recognise and support a voluntary accreditation scheme and a discount is made available to accredited landlords when licensing their properties. Despite this, less than half the landlords who apply are accredited and works are often still needed to bring the property up to standard for a number of the accredited landlords. Accreditation is not a guarantee that the landlord is fully aware

of their obligations or that the properties they manage will necessarily be up to standard without greater involvement from us.

### *Conclusion*

Having reviewed the above options, it is not considered that they would achieve the same outcome as borough-wide selective licensing for the reasons provided. The alternative options would also not help meet the objectives of our corporate strategy and would not bring about the much needed improvement in conditions for people living in the private rented sector.

### *Fit with existing initiatives*

Our Private Sector Housing Agency (PSHA) performs a wide range of operational activities to identify licensable properties, take enforcement action and eliminate rogue landlords. It is proposed that the below activities would continue and be enhanced by greater data intelligence, increased powers to license properties and increased resources.

The PSHA introduced a programme of regular street surveys targeting particular streets and taking place every 10 to 12 weeks. These surveys have been successful in uncovering potential new licensable HMO properties and identifying overcrowded and unsafe properties.

Joint visits have been arranged with the London Fire Brigade who have served notices to improve fire safety, while we have served notices to fix overcrowding and disrepair. Of the private rented sector properties visited jointly with the fire brigade, 27% were identified as HMOs.

Lewisham is currently an active member of London Lockdown. This project is focused on sharing intelligence and best practice where possible, challenging judgements that could set precedence in court and lobbying London and national government.

A number of PSHA officers are focussed on eliminating rogue landlords. Work involves investigating reports of criminal activity relating to housing offences, preparing prosecution packs for the legal team and providing an immediate response where there are ongoing illegal evictions. Dedicated officers tackle around 15 cases of illegal eviction and 15 cases of tenant harassment per month, helping tenants back into their homes if it is safe to do so. Seven landlords have been convicted and one of these received an 18 month suspended prison sentence. Two further cases are currently before the courts.

### *Partnership work proposals*

A number of arrangements have been discussed and explored with key partners, to enable closer working relationships with us to promote the success of the licensing schemes:

- Discussions with the Metropolitan Police Service have commenced and training has been arranged for police officers around private sector housing enforcement.
- Partnership workshops have taken place with Children's Social Care and Adult Social Care, focussed on homelessness prevention.
- Partnerships with other agencies are being developed, for example with the London Fire Brigade and registered housing providers, who have a number of leasehold properties.
- The housing needs service will be integral to advising on any implications on homelessness applications arising.
- Joint working arrangements are being proposed for the Crime Enforcement and Regulation Service and environmental services to ensure a coordinated approach across key service areas.

### *Statements of support from partners*

Statements of support for the borough-wide licensing proposals have been received to date as below.

#### **Crisis**

‘As outlined in our Plan to End Homelessness, we feel strongly that landlord licensing, especially at a borough-wide level, will lead to an improvement in landlord behaviour and property conditions. This can only be of benefit to people who are forced, through the lack of affordable housing, to accept the bottom end of the PRS market. We would therefore be happy to support the London Borough of Lewisham’s application.’

#### **London Fire Brigade**

‘I refer to the proposal by London Borough of Lewisham to apply to the Ministry of Housing, Communities and Local Government to introduce a wide-scale selective licensing scheme that would cover all landlords in the private rented sector.

It is understood that the scheme is intended to address significant and persistent problems with premises in this sector that landlords are failing to address. I can confirm that the London Fire Brigade would support any proposal for an extended licensing scheme that improves housing standards in the private rented sector and that we will continue to work in partnership with your authority to help achieve this.’

#### **Shelter**

‘Shelter sees selective licensing as one of the best tools councils have to understand and tackle poor conditions and rogue landlords in their local private rented sector. Effective proactive enforcement is almost inconceivable without it. We thus support councils making full use of licensing powers to protect their residents from living in poor quality housing, particularly those like Lewisham with large numbers of private renting residents.’

#### **Lewisham Homes**

‘We would support a licencing scheme to ensure landlords are forced to take responsibility for their residents. A lot of leaseholders who sublet and other private landlords are very responsive when we raise concerns, but some are not. There are also other issues aside from ASB that would benefit from a licensing scheme too – conditions of properties, ensuring mandatory fire risk assessments and boiler services are carried out, that appropriate eligibility checks are taken and so on.’

#### **L&Q**

‘L&Q are more than happy to support Lewisham Council’s application to the Secretary of State for a borough-wide selective licensing scheme to cover properties in the private rented sector with the aim of improving conditions and properties in the sector, and to combat issues associated with poorly managed private properties.’

## Identifying the PRS

### Methodology

The 2011 Census indicated that there were 28,216 privately rented properties in Lewisham, more than double the number at the 2001 Census (13,143). There has been a strong sense that the PRS in Lewisham has continued to grow since the 2011 Census was collected, but at a slower rate.

An in-depth analysis has been carried out to establish whether there has indeed been an increase in the sector, and to ensure the selective licensing conditions outlined by the Government were applied to an up-to-date assessment of the PRS in the borough.

A number of council held datasets were used to assess the size and scale of the private rented sector in Lewisham. Data was collated in line with an agreed Data Protection Information Agreement (DPIA).

An extensive quality assessment and data cleansing process was undertaken and records were matched to the Local Land and Property Gazetteer address database. The outcome was a matrix of more than 50 variables which were used to establish the likely tenure of each residential property. The results were validated through targeted street surveys to test and verify the outcomes generated.

### The PRS in Lewisham

The above process identified that there are approximately 32,000 private rented properties across Lewisham, which represents 25% of the residential properties in the borough, higher than the English average of 19%<sup>6</sup> and on a par with the London average of 27%<sup>7</sup>. If the actual number of PRS properties in an area is higher than the English average, the guidance document indicates that it can be considered to have a high proportion of privately rented properties.

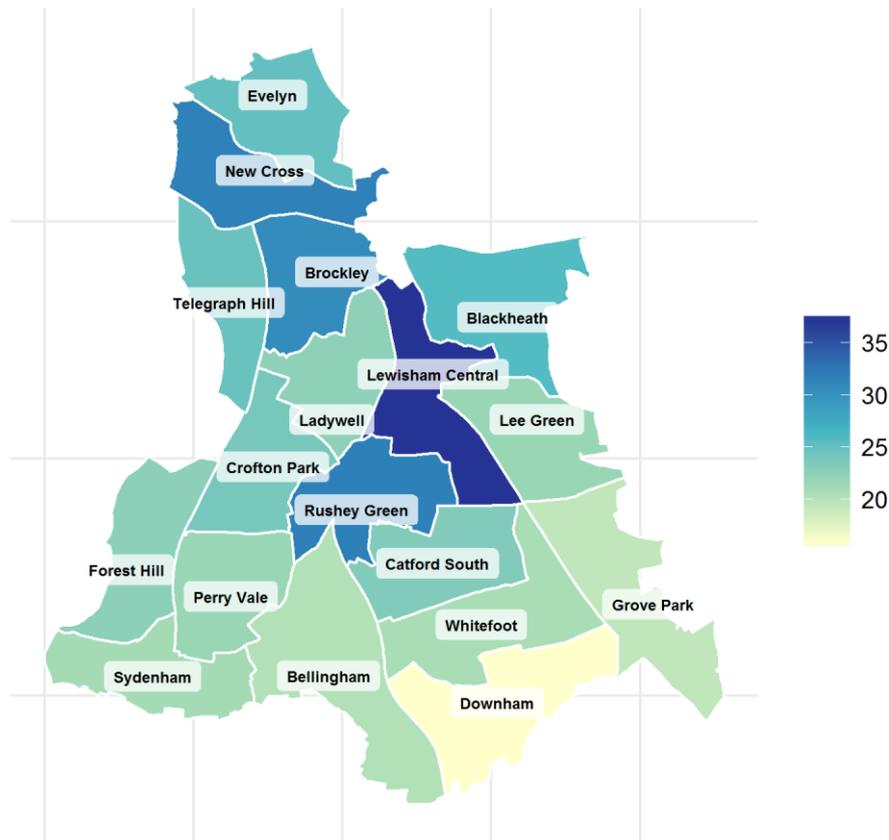
Figure 2 shows the spread of the private rented sector in Lewisham by ward; the darker areas show a higher concentration of privately rented properties. Compared to the social rented and owner-occupied sectors, privately rented stock is distributed relatively evenly over the borough. However, the map shows some areas of concentration.

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<sup>6</sup> Ministry of Housing, Communities and Local Government, (2019), English Household Survey 2017/18, accessed via <https://www.gov.uk/government/statistics/english-housing-survey-2017-to-2018-headline-report> , page 6

<sup>7</sup> GLA, London Housing Strategy, (2018), assessed via <https://www.london.gov.uk/what-we-do/housing-and-land/tackling-londons-housing-crisis> , page 32

## Private Rented Properties per Ward (%)



Source: Housing Insight

Figure 2: Percentage of PRS across Lewisham wards

Table 1 shows the number of PRS properties and percentages by ward. All wards have more than 19% private rented housing, with the exception of Downham, and can therefore be considered to have high levels of private rented housing. Following MHCLG advice, a designation which includes Downham must have an average higher than 19% to meet the required threshold.

Table 1: PRS numbers and percentages by ward

Ward	Estimated number	Proportion of housing %
Lewisham Central	3,880	37.2
Rushey Green	2,346	31.7
New Cross	2,607	31.6
Brockley	2,762	30.6
Blackheath	1,890	25.8
Evelyn	2,158	25.0
Telegraph Hill	1,765	24.7
Crofton Park	1,541	23.9
Catford South	1,385	23.3
Forest Hill	1,540	22.6
Ladywell	1,130	22.5
Lee Green	1,379	21.7
Perry Vale	1,509	21.7

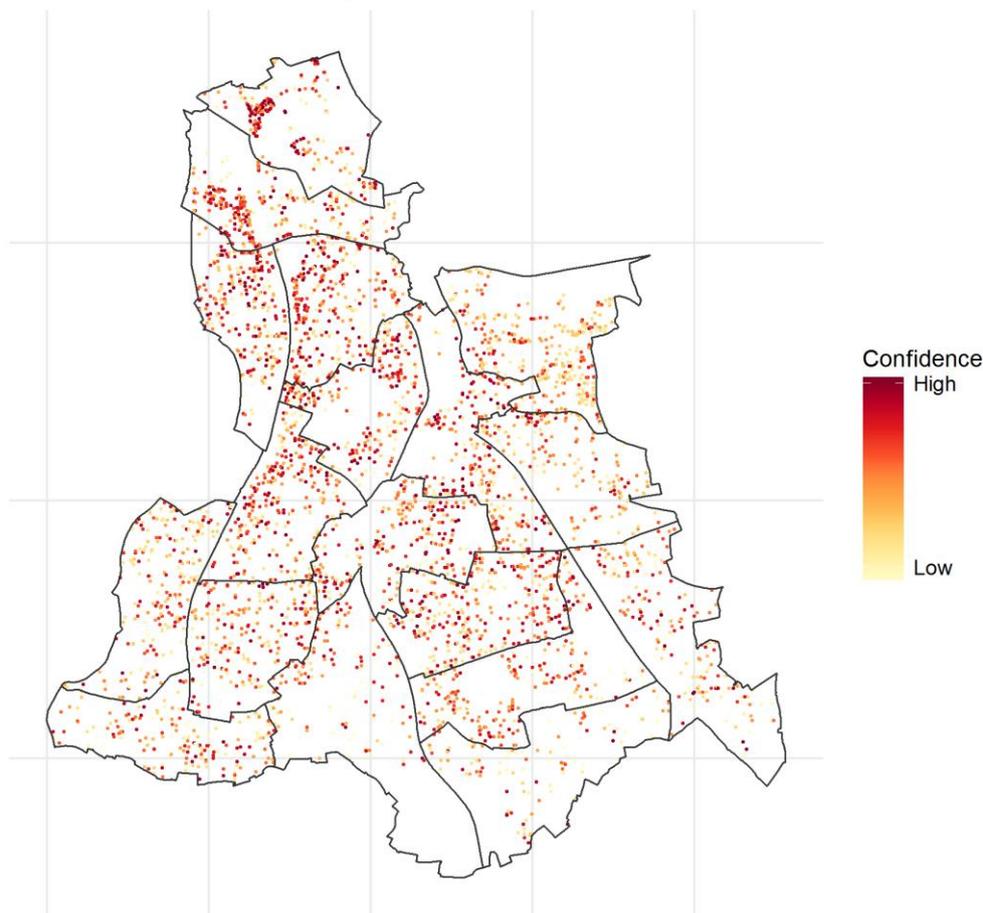
Ward	Estimated number	Proportion of housing %
Sydenham	1,499	21.0
Whitefoot	1,263	20.7
Bellingham	1,365	20.2
Grove Park	1,247	19.4
Downham	991	15.8
Lewisham Borough	32,257	25.1

### HMOs in Lewisham

In line with the aim of introducing borough-wide additional licensing, further modelling was completed to establish the likelihood of a private rented property being an HMO or a single family dwelling. Analysis has indicated that there are approximately 6,000 HMO properties and 26,000 single family private rented sector dwellings in Lewisham.

Figure 3 shows the location of known and suspected HMOs following detailed modelling. There are concentrations of HMO properties to the north and centre of the borough, with fewer HMOs located in the southern wards.

#### Location of known and suspected HMOs



Source: Housing Insight

Figure 3: Map showing location of known HMOs and properties which are estimated to be HMOs. Confidence is indicated by colour shading

## Detailed analysis

### Antisocial behaviour

The guidance document advises that significant and persistent ASB occurring within the curtilage of the property or within its immediate vicinity can be considered as a reason for making a designation. This includes intimidation or harassment, noise, rowdy and nuisance behaviour, animal and vehicle related nuisance, antisocial drinking, drug taking or dealing, graffiti and fly posting, and litter and waste. The scheme should state what measures should be taken to address the problems and will result in a reduction or elimination of ASB caused by private rented sector tenants.<sup>8</sup>

### Data

#### Overview

Relevant ASB incidents were collated from three sources: council complaints relating to ASB received by the crime enforcement regulation service, incidents recorded by the environment services team and police reported data. Together, these cover a broad range of ASB types. The most common incident types and some general observations are described in Table 2.

Table 2: Sources of reported ASB incidents

Dataset	Main categories	Observations
Complaints	Noise Fly-tipping Rubbish Nuisance Disagreement	Two categories make up 73% of all incidents reported: noise (38%) and general nuisance (35%).
Environment services	Fly-tipping Graffiti Abandoned goods/vehicles Fly posting Contaminated recycling Overloaded bins	Three categories make up 83% of all incidents reported: fly-tipping (42%), graffiti (22%) and abandoned mattresses (19%).
Police	ASB Public order Drugs	

The following sections examine this data in a number of ways depending on the variables available. These are:

- Rates of ASB: the ASB rates for each dataset at ward level using all three datasets.
- Persistence: the changes in reported ASB over time using our ASB complaints and police data. Multiple years are not available for the environment services data.
- Vicinity of ASB incidents to privately rented properties: a detailed look at the proximity of incidents to properties using the environment services data which is the only dataset with this level of locational information.

<sup>8</sup> DCLG, selective licensing in the private rented sector, a guide for local authorities, March 2015, available at <https://www.gov.uk/government/publications/selective-licensing-in-the-private-rented-sector-a-guide-for-local-authorities>, page 9

### Rates of ASB

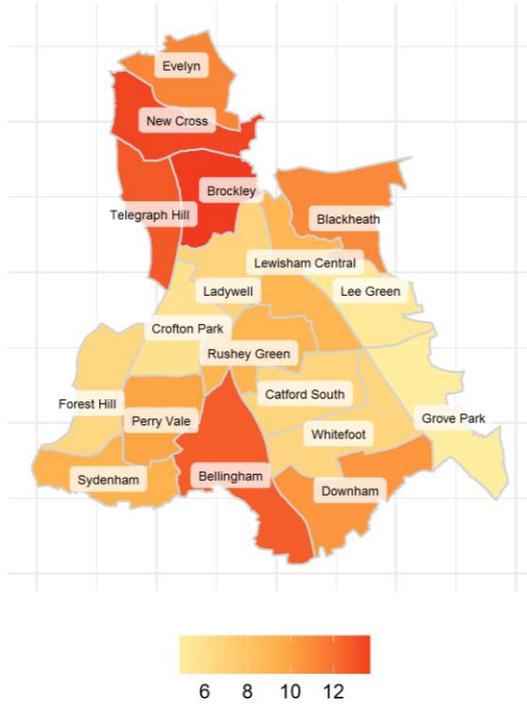
Rates of reported ASB for each ward and data source are listed in Table 3 and displayed graphically in Figure 4.

Table 3: Wards ordered from highest to lowest ASB rates for each ASB data source. Rate per 1,000 population. Wards ranked 1–9 (above the black line) have above median values

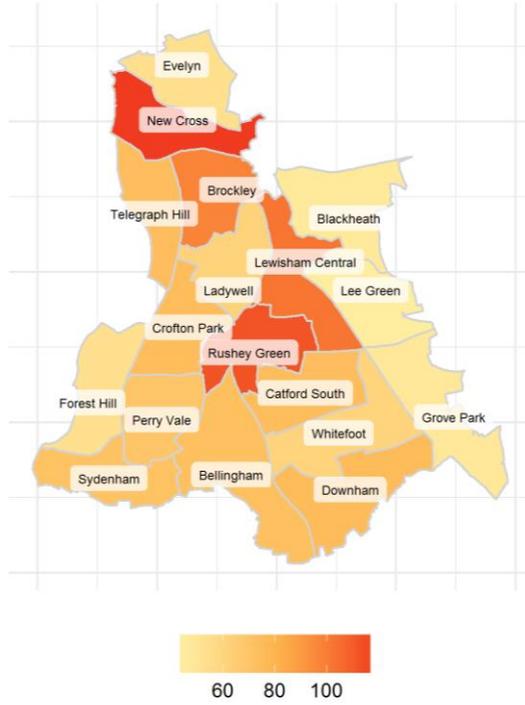
Source Rank	Complaints		Environment services		Police ASB records	
	Ward	Rate	Ward	Rate	Ward	Rate
1	Brockley	13.8	New Cross	118.2	Lewisham Central	58.5
2	New Cross	13.5	Rushey Green	112.3	Rushey Green	50.1
3	Telegraph Hill	12.9	Lewisham Central	102.7	New Cross	48.0
4	Bellingham	12.7	Brockley	97.4	Bellingham	40.4
5	Evelyn	11.2	Downham	75.3	Brockley	37.5
6	Blackheath	11.0	Crofton Park	74.6	Blackheath	28.7
7	Downham	10.5	Catford South	74.0	Whitefoot	27.8
8	Perry Vale	9.8	Telegraph Hill	73.7	Downham	27.0
9	Sydenham	9.2	Bellingham	72.8	Ladywell	27.0
10	Rushey Green	9.0	Sydenham	71.0	Telegraph Hill	26.6
11	Lewisham Central	8.9	Perry Vale	69.0	Evelyn	26.0
12	Ladywell	6.8	Ladywell	60.8	Sydenham	25.7
13	Catford South	6.7	Whitefoot	60.3	Lee Green	25.0
14	Whitefoot	6.6	Forest Hill	52.6	Forest Hill	23.5
15	Forest Hill	6.5	Evelyn	52.4	Crofton Park	19.6
16	Crofton Park	5.7	Grove Park	47.5	Grove Park	18.4
17	Lee Green	5.2	Blackheath	47.3	Perry Vale	18.4
18	Grove Park	4.9	Lee Green	44.6	Catford South	18.2

It is clear there are wards which experience relatively high rates of each type of ASB: Bellingham, Brockley, Downham and New Cross have above median levels in each dataset. Other wards experience relatively high rates of particular types of ASB: Blackheath, Catford South, Crofton Park, Evelyn, Ladywell, Lewisham Central, Perry Vale, Rushey Green, Sydenham, Telegraph Hill and Whitefoot have above median levels in one or two datasets.

Complaints ASB (includes Noise & Nuisance)  
Rates per 1000 population in 2018



Environment Services (includes Graffiti & Fly-tipping)  
Rates per 1000 population in 2018



Police ASB (includes Public Order & Drugs)  
Rates per 1000 population in 2018

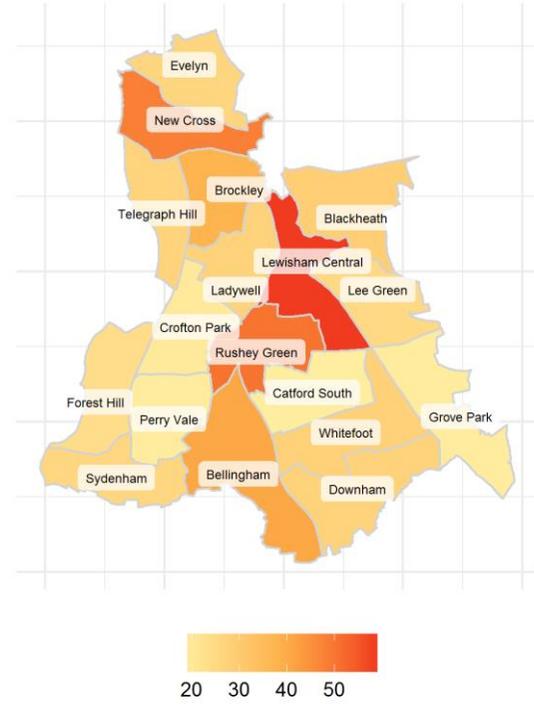


Figure 4: Maps showing 2018 ASB rates per 1,000 population for each data source

### Persistence

Multiple years of data were available for the police and council complaints data. Police-recorded ASB comprised of 9,832 incidents in 2016, 9,378 in 2017 and 9,340 in 2018. Complaints comprised of 2,413 ASB incidents in 2016, 3,013 in 2017 and 2,459 in 2018. Figure 5 shows these aggregated datasets split by ward. Persistently high rates of ASB are observed in Lewisham Central, New Cross, Rushey Green, Bellingham and Brockley over these three years.

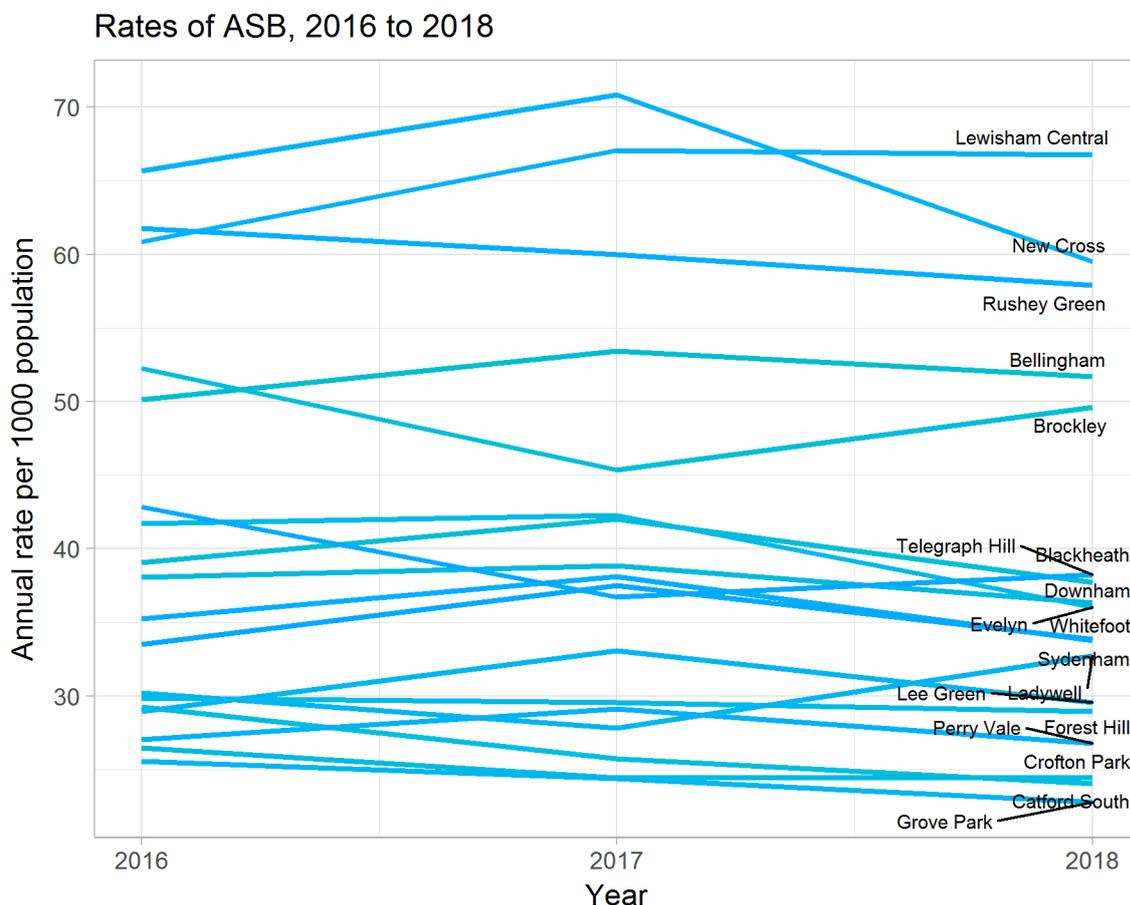


Figure 5: Rates of Police-recorded ASB and council complaints 2016 to 2018

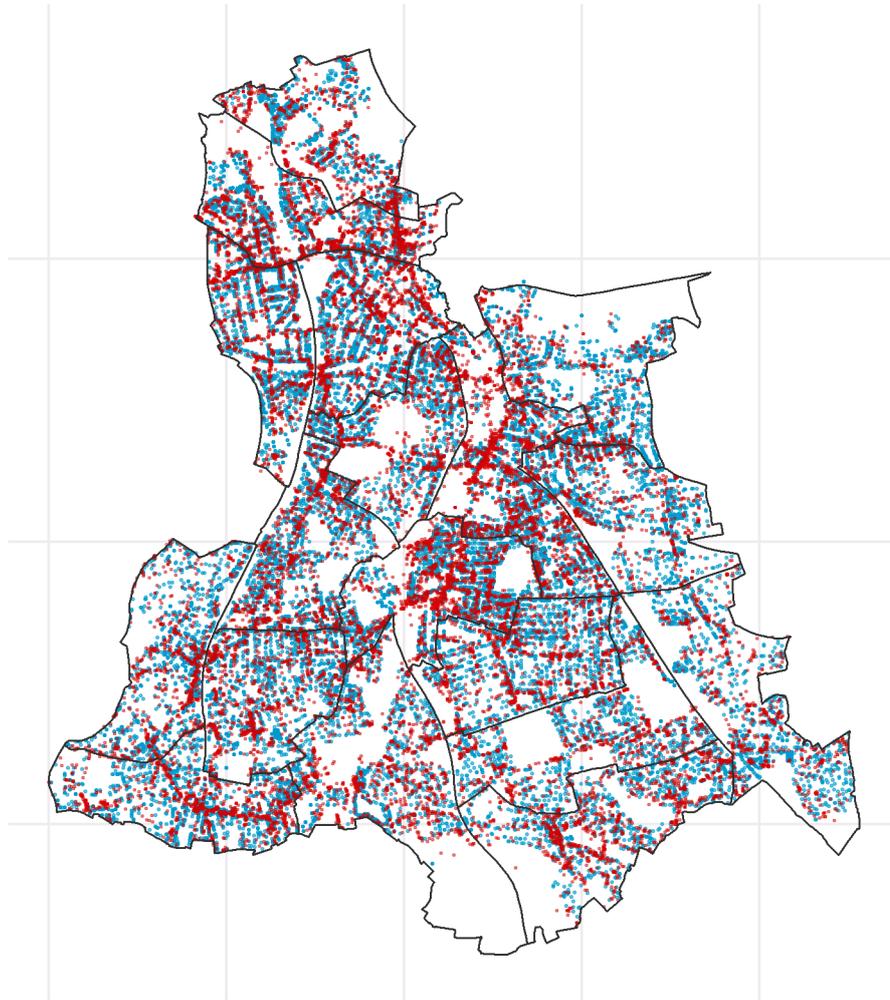
### Vicinity of ASB incidents to privately rented properties

The environmental services dataset includes precise coordinates for each incident. Using this in conjunction with location data for properties in the borough<sup>9</sup>, records were compared and the properties with an incident reported within 25m identified. This distance was chosen to represent an area of close proximity to a property. Figure 6 shows the location of every identified private rented property and the recorded ASB environmental incidents in 2018.

<sup>9</sup> Accurate location data was available for 92% of the properties in the borough

## Location of ASB incidents and Private Rented Properties

ASB incidents shown in red; properties in blue; shades represent density



Source: Environment Services

Figure 6: Map showing location of likely private rented properties (blue) and environment services recorded ASB incidents (red). Spaces represent areas with no identified private rented housing, including parks and transport corridors

Table 4 below shows the percentage of properties with an environmental ASB incident recorded within 25m by tenure. The figures are broken down further into properties with reports of multiple incidents.

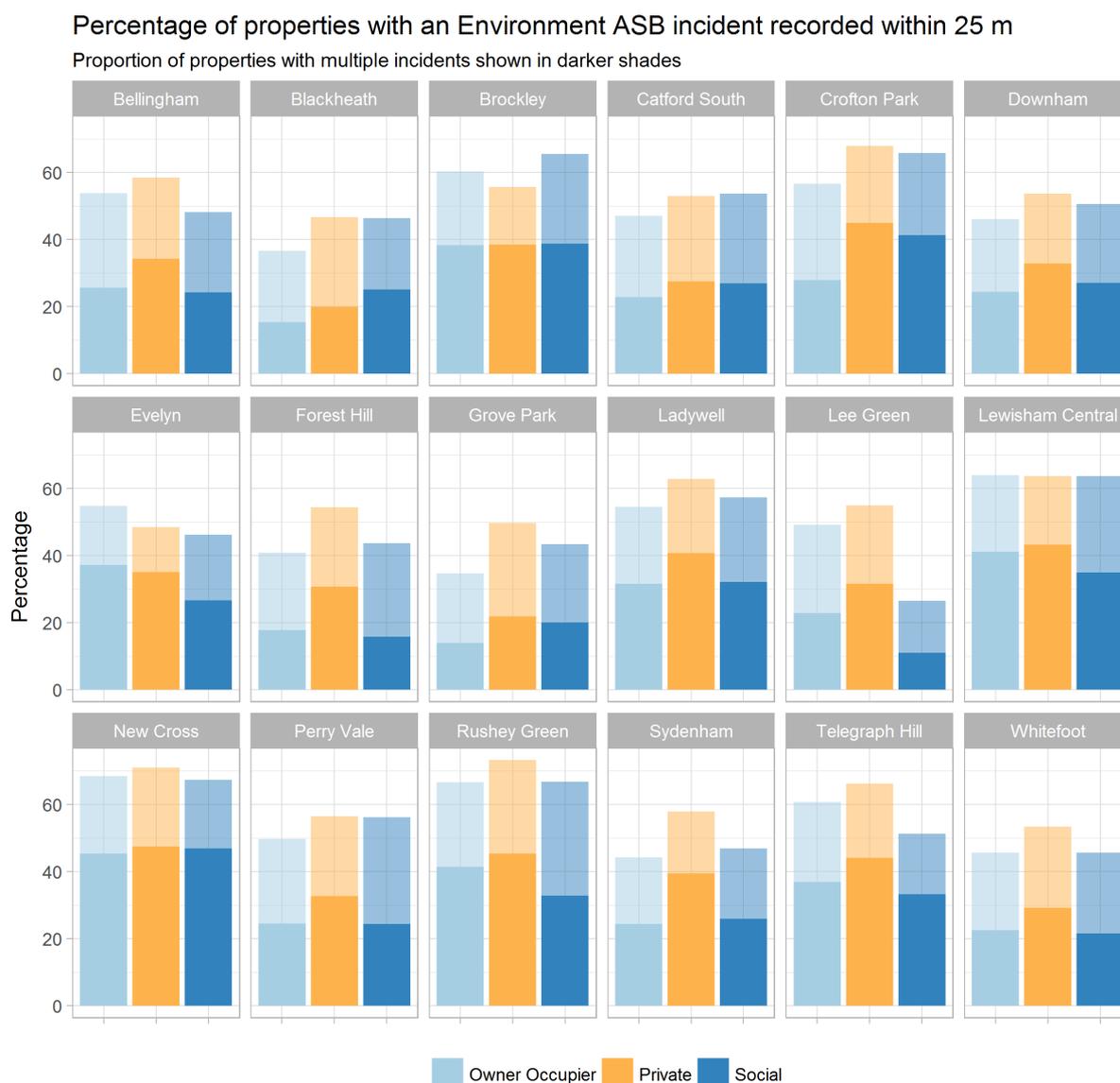
Table 4: Proportion of properties in proximity to an ASB incident, by tenure

Tenure	% of properties with ASB incident recorded within 25m by tenure	% of properties with more than 1 ASB incident recorded within 25m by tenure
Owner occupier	51.6	28.1
All private	59.1	36.6
Social	52.4	28.8

More private rented properties have incidents reported within 25m than other types of tenancies. The proportion of known HMOs<sup>10</sup> with an ASB incident recorded close by is 70%, which is higher than the PRS overall, although it is noted this is a small dataset.

Multiple instances are more prevalent near private rented housing, indicating persistent issues with fly-tipping, abandoned goods and graffiti.

A breakdown by ward (Figure 7) shows this pattern exists in 13 wards: Bellingham, Crofton Park, Downham, Forest Hill, Grove Park, Ladywell, Lee Green, New Cross, Perry Vale, Rushey Green, Sydenham, Telegraph Hill and Whitefoot. The percentage of properties with multiple incidents recorded within this distance are shown in darker shades.



Source: Environment Services and LLPG

Figure 7: Percentage of properties with an environment ASB incident recorded within 25m through 2018. Percentage of properties with multiple incidents recorded within this distance are shown in darker shades

<sup>10</sup> Based on 569 currently licenced HMOs

[Link to the PRS](#)

The ASB rates for all three datasets combined in 2018 was compared with the proportion of private rented housing in each ward. Figure 8 shows a strong correlation between the two – that is, there tends to be higher rates of ASB in areas with a higher proportion of private rented housing.

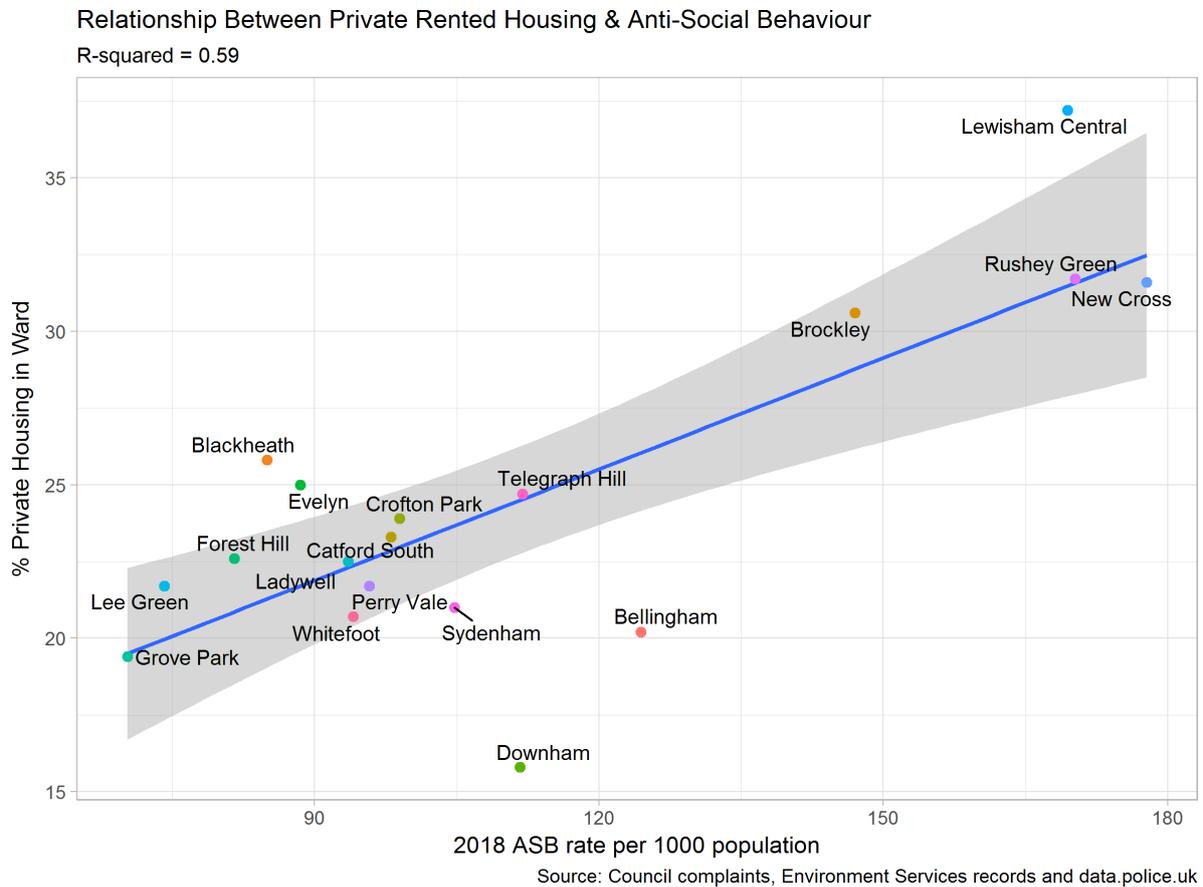


Figure 8: Correlation between ward ASB rates and private housing

### Case studies

Lewisham environmental services are frequently contacted by neighbours of privately rented properties who complain about the state of refuse bins and waste left outside the property or on the pavement. The issues highlighted below are just an example of many similar situations across the borough.



The neighbour of a HMO property, which is unlicensable under the mandatory and existing additional schemes, contacted us on numerous occasions. They advised that bins are regularly left outside on the pavement overflowing, rubbish is left next to the bins and often foxes tear into the bags which leaves rubbish trailing down the street. Despite communication from us, the problems have persisted and worsened as we were unable to contact the landlord directly to attempt to resolve the situation.

Elsewhere in the borough, the rear garden of another HMO property was being used as a rubbish tip and contained hundreds of bags of rubbish that were attracting vermin. The neighbours were very concerned and reported it to us, but again the problem became worse as the landlord's contact details were not available. If the property had been licensed, we would have been able to make contact with the landlord directly, ensuring they resolved these issues promptly.

### Summary

To summarise the above:

1. Analysis of the rates of ASB for each data source demonstrate the following wards experience relatively high levels of at least one type of ASB: Bellingham, Brockley, Blackheath, Catford South, Crofton Park, Downham, Evelyn, Ladywell, Lewisham Central, Perry Vale, Rushey Green, Telegraph Hill, Whitefoot and New Cross.
2. Time-series analysis of the complaints and police data showed the following wards have relatively high and persistent rates of ASB: Bellingham, Brockley, Lewisham Central, New Cross and Rushey Green.
3. Analysis of the proximity of environmental services incidents show private rental housing experiences higher rates of this type of ASB than other tenancies, and with multiple incidents demonstrating persistence. This is true at ward level for Bellingham, Crofton Park, Downham, Forest Hill, Grove Park, Ladywell, Lee Green, New Cross, Perry Vale, Rushey Green, Sydenham, Telegraph Hill and Whitefoot.

Together, these analyses provide evidence of significant ASB across the borough.

Table 5: Summary of ASB analysis results

Ward	High ASB rates	High and persistent ASB	ASB in close proximity to PRS
Bellingham	✓	✓	✓
Blackheath	✓		
Brockley	✓	✓	
Catford South	✓		
Crofton Park	✓		✓
Downham	✓		✓
Evelyn	✓		
Forest Hill			✓
Grove Park			✓
Ladywell	✓		✓
Lee Green			✓
Lewisham Central	✓	✓	
New Cross	✓	✓	✓
Perry Vale	✓		✓
Rushey Green	✓	✓	✓
Sydenham	✓		✓
Telegraph Hill	✓		✓
Whitefoot	✓		✓

*Some or all landlords are failing to take appropriate action*

We know that many private sector landlords are professional and take their responsibilities to effectively manage their properties seriously. However, complaints received by us and the analysis above shows that some landlords do not manage their properties to the standards expected and do not take action to reduce or eliminate antisocial behaviour caused by their tenants.

*A designation would lead to a reduction in ASB*

A designation on the grounds of ASB would result in the reduction of ASB incidents associated with private rented sector properties. We will be able to require landlords to take appropriate action to tackle antisocial behaviour. Landlords will need to provide tenants with the instructions and means with which to dispose of their waste correctly, leading to a reduction in environmental services incidents. Where problems continue, we will be much better able to tackle these incidents, in conjunction with the landlord, taking enforcement action where necessary. In addition, the publicity surrounding the introduction of the licensing schemes will enable members of the public to be aware of the means of reporting issues and how to check whether a property with ASB has been licensed by us.

## Crime

The Guidance Document advises that crime can be considered as a designation reason if there has been a recent increase in the levels of crime and the crime rate is either higher than other areas or higher than the national average. The impact of crime in the area on the local community can also be considered. Again, the designation can only be used if a high proportion of housing in areas with high levels of crime is in the private rented sector. Consideration should also be given to whether the criminal activities impact on some people living in privately rented accommodation, as well as others living in the areas and businesses therein, the nature of the criminal activity (e.g. theft, burglary, arson, criminal damage, graffiti) and whether some of the criminal activity is the responsibility of some people living in privately rented accommodation<sup>11</sup>.

## Data

### *Overview*

Street level crime data was retrieved<sup>12</sup> and filtered by types of crimes considered relevant to the selective licensing application mentioned above (namely theft, burglary, criminal damage and arson, robbery and other crime). Crimes reported over three years (2016–2018) were used to smooth out any year-to-year variation.

### *Police-reported crime*

Over this period there were 37,550 related crimes reported, an average of 12,517 per year. These data were aggregated by ward and the average annual rate per 1,000 population calculated. The crime rates are shown in the map below (Figure 9) and against the national average crime rates in Figure 10<sup>13</sup>.

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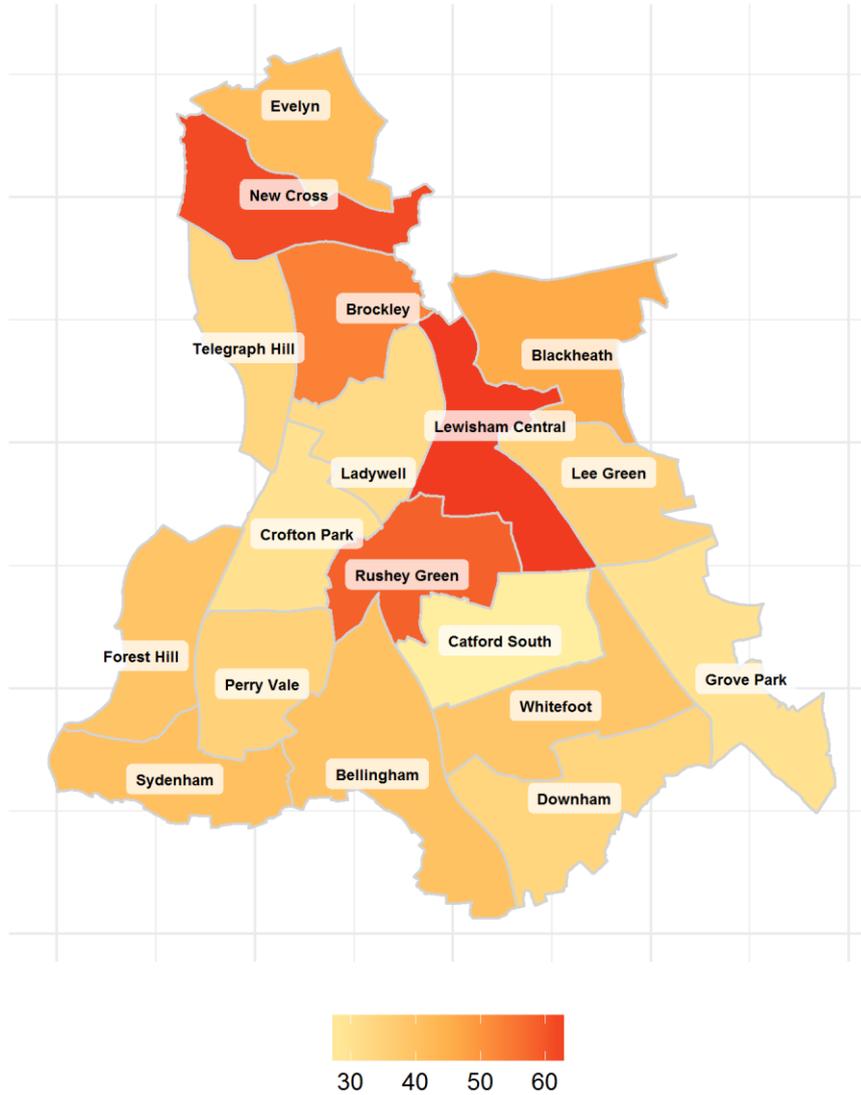
<sup>11</sup> DCLG, selective licensing in the private rented sector, a guide for local authorities, March 2015, available at <https://www.gov.uk/government/publications/selective-licensing-in-the-private-rented-sector-a-guide-for-local-authorities>, page 12

<sup>12</sup> Data.police.uk

<sup>13</sup> National crime rate derived from information provided by the ONS for year ending September 2018

## Police Reported Crime

Annual crime rate calculated from 2016 to 2018 data

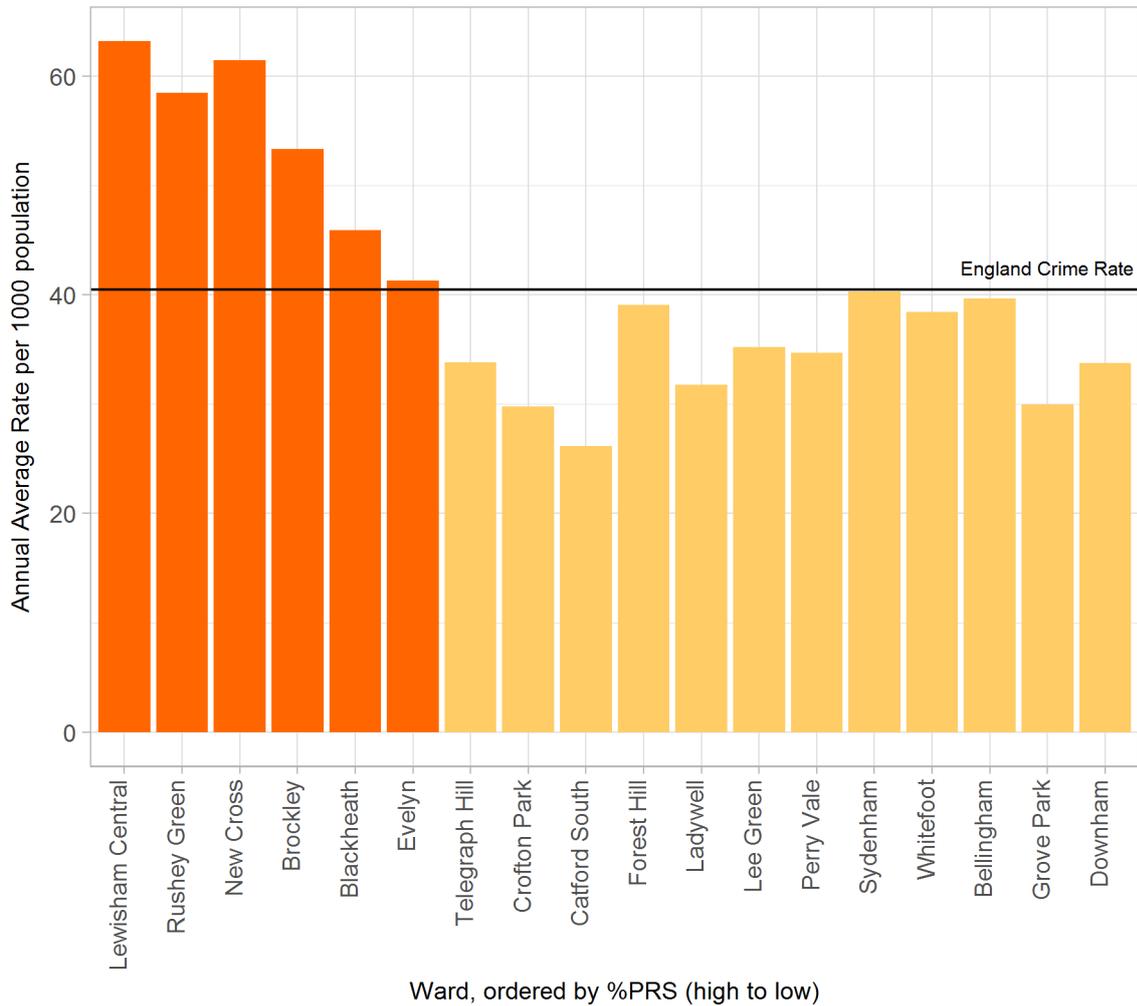


Source: data.police.uk

Figure 9: Map showing average annual crime rate by ward, relevant crimes only

## Average annual crime rates compared with national crime rates

National crime rate from year ending September 2018



Source: data.police.uk & ONS

Figure 10: Comparison of average annual Lewisham ward crimes rates against the national rate. All rates calculated using relevant crimes only

Six wards have crime rates higher than the national rate (coloured orange). Note the wards are ordered from highest to lowest percentage of private rented properties so the grouping of the orange bars exclusively to the left of the plot provides evidence the wards with the highest crime rates are also those with the highest amount of PRS properties.

Figure 11 shows these overall figures broken down into the individual crimes included for this analysis. Orange bars again indicate where the ward crime rate is higher than the national crime rate. There are two points to note:

- both recorded robbery and vehicle crime rates are higher than the national rate for all wards
- for the remaining categories, and taking the order into consideration, there is a clear pattern between the highest crime rates and the wards with the highest levels of private rented

properties to the left of each plot. The strong relationship between these is also shown in the scatter plot (Figure 13).

### Average annual crime rate compared with national crime rate

Orange bars show ward crime rate is higher than the national crime rate



Source: data.police.uk and ONS

Figure 11: Comparison of average annual crimes rates (2016–2018) with national crime rate (year ending September 2018). Orange bars show levels are higher than national rate.

### Change over time

The national increase in crime between 2017 and 2018 was 8%. Figure 12 shows the six wards which have had increases greater than this.

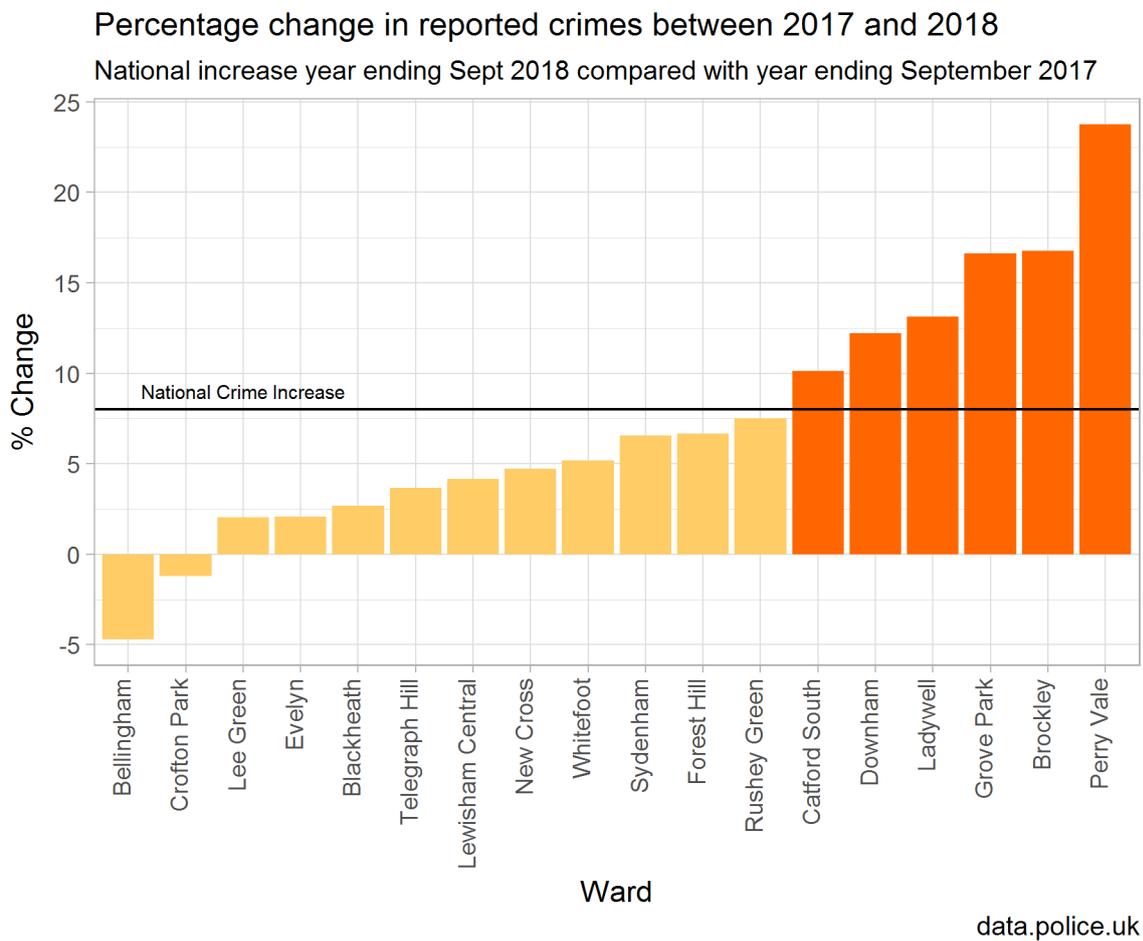


Figure 12: Increase in crime rate between 2017 and 2018

### Link to the PRS

The crime rates were compared with the proportion of private rented housing in each ward. Figure 13 shows a strong correlation between the two, that there tends to be higher rates of crime in areas with a higher proportion of private rented housing.

## Relationship Between Private Rented Housing and Crime Rate

R-squared = 0.71

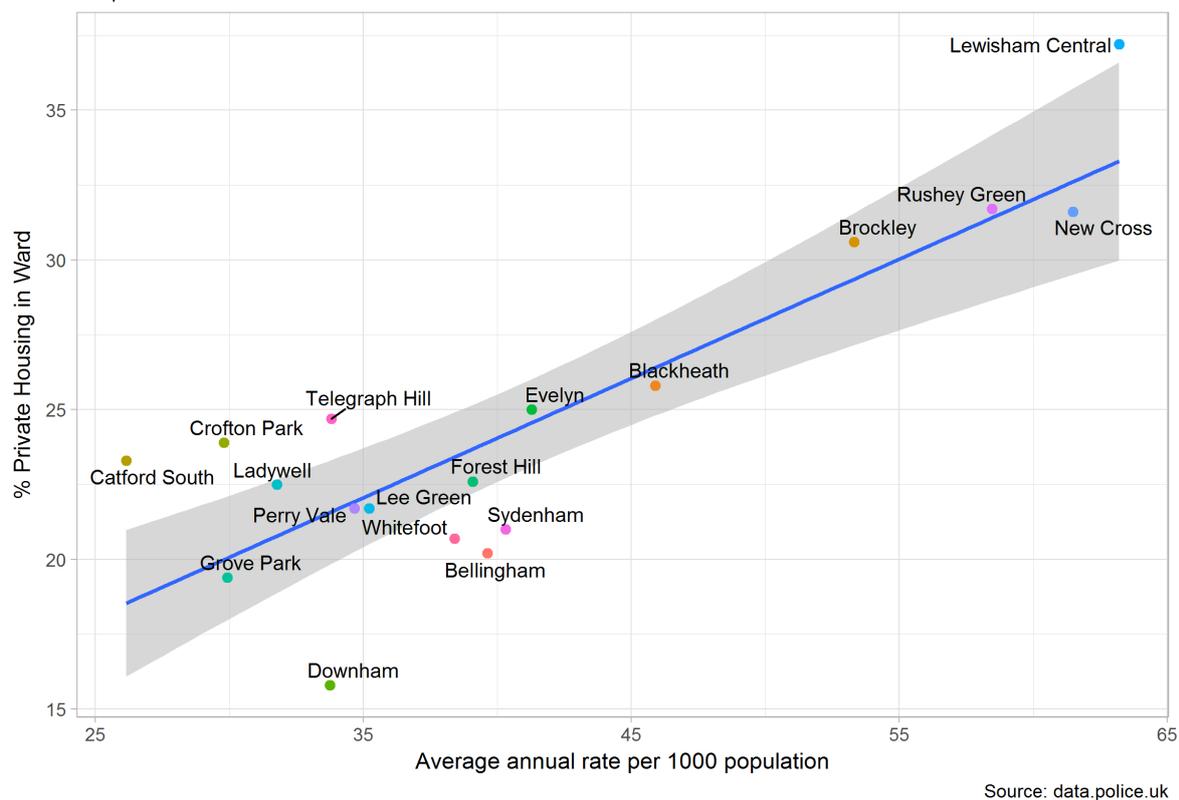


Figure 13: Correlation between ward crime rates and private housing

### Summary

The analysis shows:

- Six wards have crime rates higher than the national rate. These coincide with areas with the greatest proportion of PRS.
- All wards experience higher than national rates for robbery and vehicle crime.
- There appears to be a strong correlation between private rented housing and crime rates.
- Sixteen wards have experienced an increase in crime between 2017 and 2018, six of which are higher than the national increase.

This provides evidence of borough-wide issues relating to crime.

### *A designation would lead to a reduction in crime*

A designation on crime grounds will help to promote a reduction in crime in the borough. The borough experiences high rates of crime, particularly for robbery and vehicle crime. By improving property conditions, including security of privately rented homes, it is intended that crime rates will improve. Property inspections and work with partners, such as the police and fire brigade, will enable us to more easily identify privately rented properties which are being used to accommodate illegal activities, such as brothels and to grow cannabis for example. Close working relationships between us and the police will enable any illegal activities taking place in privately rented properties to be identified and dealt with at the earliest opportunity.

## Deprivation

The Guidance Document advises that high levels of deprivation can be used as a designation reason if these levels are high in comparison to neighbouring areas and regions. The factors of deprivation which can be considered are: the employment status of adults, the average income of households, the health of households, the availability and ease of access to education, training and other services for households, housing conditions, the physical environment and levels of crime. A designation can be made if a high proportion of housing in areas with high deprivation is in the private rented sector<sup>14</sup>.

## Data

### Overview

The analysis centred on open source data which is freely available, the English Indices of Deprivation 2015<sup>15</sup>, which measure relative levels of deprivation in 32,844 small areas or neighbourhoods (lower-layer super output areas or LSOAs) in England. The indices comprise of 37 indicators across seven domains which together combine to form the Index of Multiple Deprivation (IMD), an overall measure of multiple deprivation.

### Deprivation in Lewisham

The IMD and underlying domains provide clear evidence in support of licensing in the borough. Lewisham is ranked the 26<sup>th</sup> most deprived local authority out of 322 in England, and the 10<sup>th</sup> most deprived London borough. The rank for each domain is shown in Table 6 **Error! Reference source not found.** Indices for income<sup>16</sup>, crime, housing and environment are all ranked very low – within the most deprived 7%. The education index is the only one ranked in the least deprived half in England.

Table 6: Lewisham's rank out of 322 local authorities by domain

Domain	Rank of Average Rank
IMD	26
Income	18
Employment	58
Education, skills and training	211
Health and disability	98
Crime	10
Barriers to housing and services	21
Living environment	17

Figure 14 displays the IMD levels for each ward in Lewisham<sup>17</sup>. Ward deprivation levels fall within the 8<sup>th</sup> to 38<sup>th</sup> percentile, with eight wards falling in the most deprived 20% of the country. Sixteen wards are more deprived than the London average and two out of every three wards are more deprived than the inner London average. This demonstrates widespread overall deprivation across each ward with high levels compared to neighbouring areas.

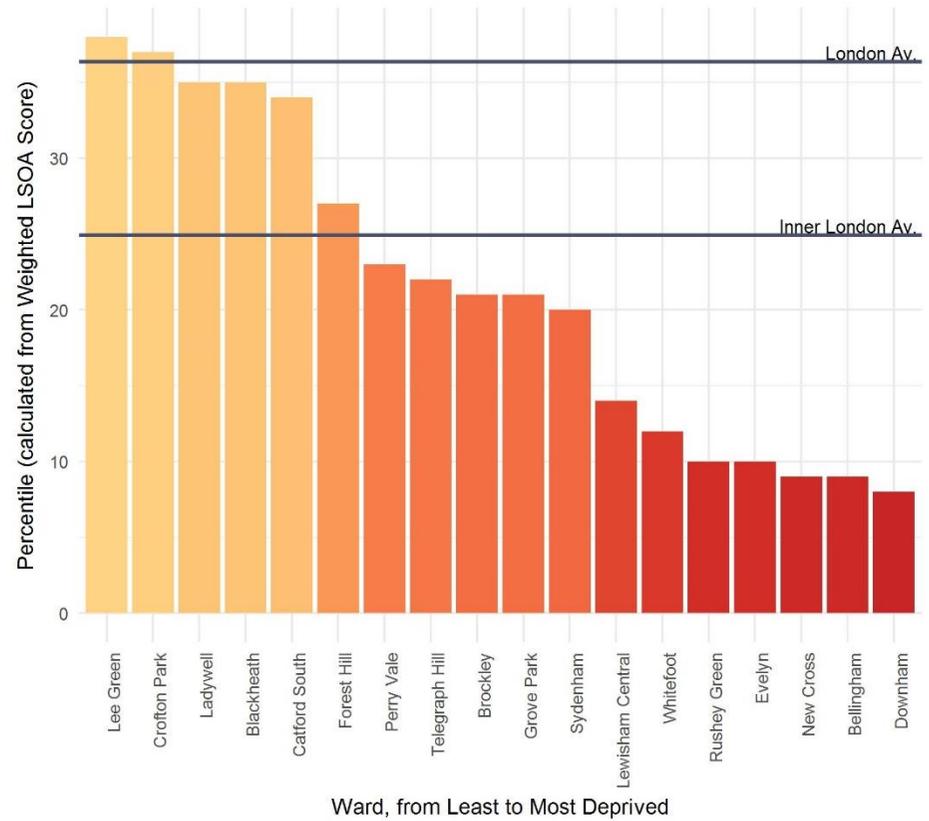
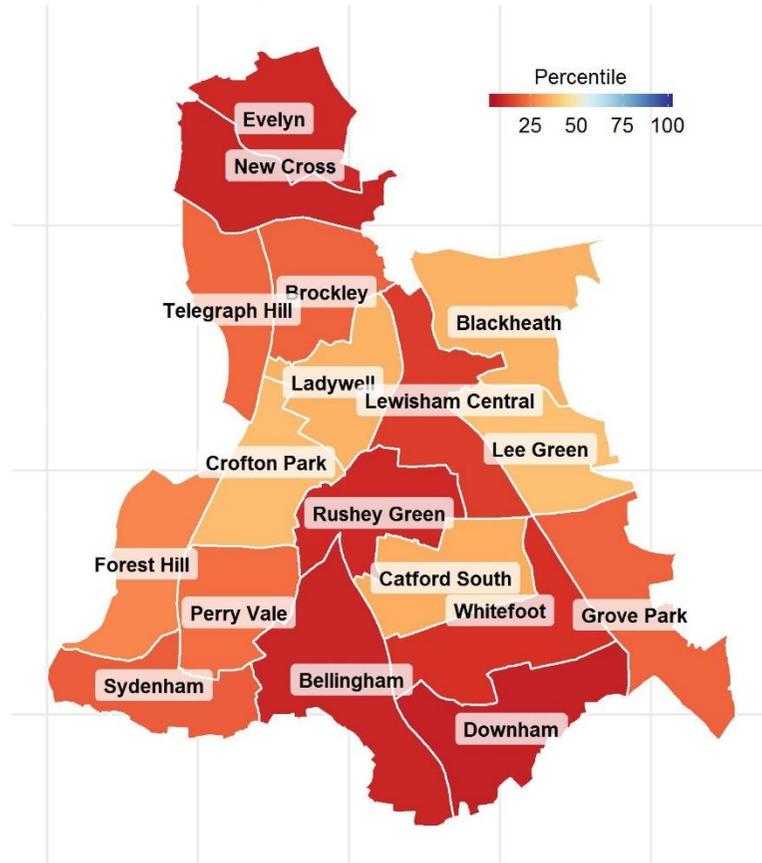
<sup>14</sup> DCLG, selective licensing in the private rented sector, a guide for local authorities, March 2015, available at <https://www.gov.uk/government/publications/selective-licensing-in-the-private-rented-sector-a-guide-for-local-authorities>, page 11

<sup>15</sup> <https://www.gov.uk/government/statistics/english-indices-of-deprivation-2015>

<sup>16</sup> The Statistical release explicitly states Lewisham is in the top 20 districts with the highest proportion of children and older people in income deprivation

<sup>17</sup> LSOA scores were aggregated to ward level according to instructions detailed in Appendix A of The English Indices of Deprivation 2015 Research Report and then binned into percentiles, where the 1<sup>st</sup> percentile represents the most deprived 1% of wards in England and the 100<sup>th</sup> percentile represents the least deprived.

Indices of Deprivation for Lewisham  
Overall Index of Multiple Deprivation



Source: UK Government English Indices of Deprivation 2015

Figure 14: Indices of multiple deprivation across Lewisham Wards

### *Deprivation at ward level*

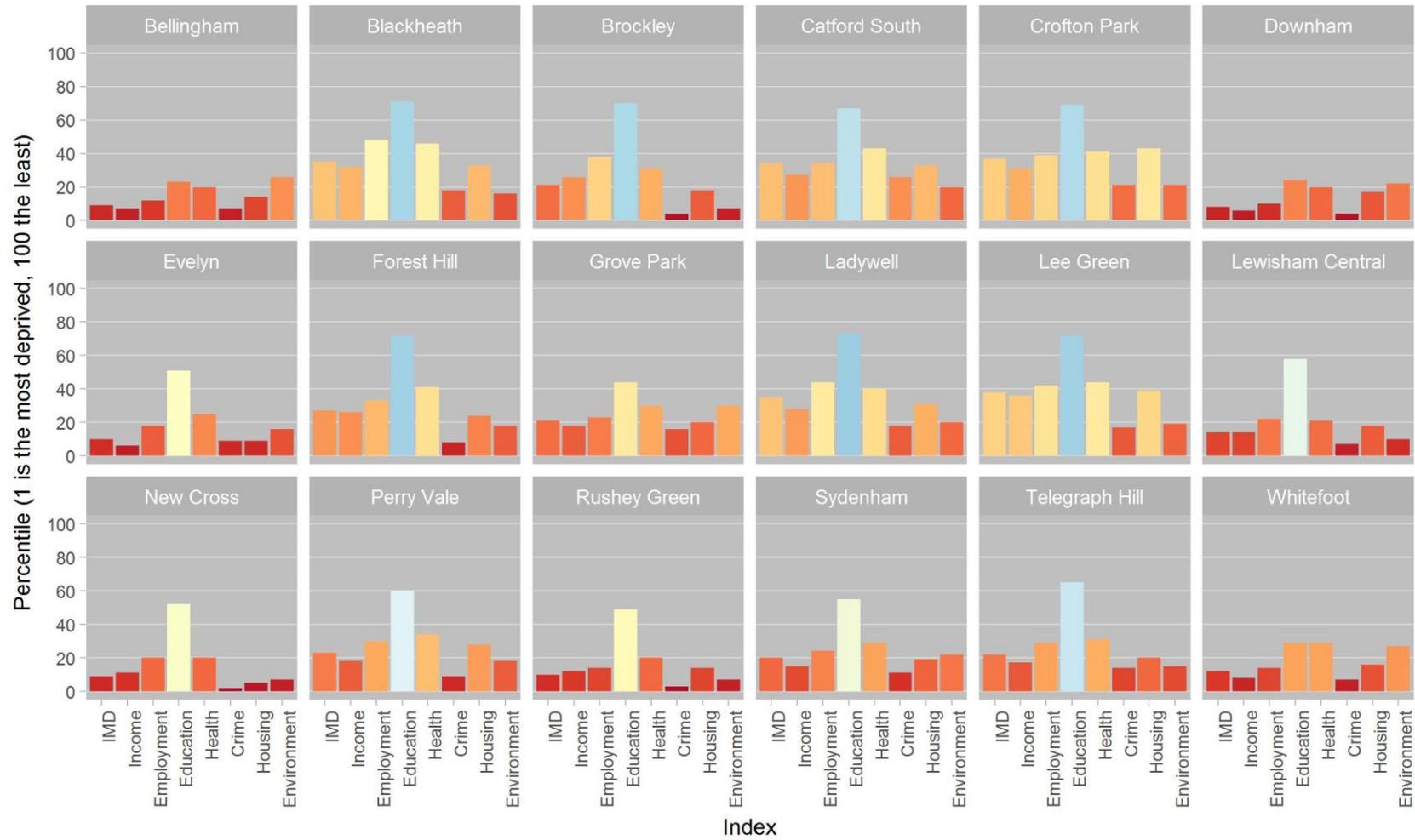
The seven domains which form the Index of Multiple Deprivation relate to factors listed within the guidance document. The relative deprivation levels by ward for each of these domains are displayed in Figure 15 and discussed below in relation to the overall percentiles (for comparison with national levels) and relative to London averages (for comparison at a regional level).

1. The income deprivation domain measures the proportion of the population in an area experiencing deprivation relating to low income. It includes people out-of-work, and in work but with low earnings:
  - Lewisham wards lie within the 6<sup>th</sup> to 36<sup>th</sup> percentiles.
  - 17 of 18 wards (94%) measure below the London average.
  - 11 of 18 wards (61%) measure equal to or below the inner London average.
2. The employment deprivation domain measures the proportion of the working age population in an area involuntarily excluded from the labour market:
  - Lewisham wards lie within the 10<sup>th</sup> to 48<sup>th</sup> percentiles.
  - One ward lies within the most deprived 10%; six wards lie within the most deprived 20%.
  - 17 of 18 wards (94%) measure below the London average.
  - 13 of 18 wards (72%) measure below the inner London average.
3. The education, skills and training domain measures the lack of attainment and skills in the local population:
  - Lewisham wards lie within the 23<sup>rd</sup> to 73<sup>rd</sup> percentiles, showing large variation between wards.
  - 10 of 18 wards (56%) measure below the London average.
  - 10 of 18 wards (56%) measure below the inner London average.
4. The health deprivation and disability domain measures the risk of premature death and the impairment of quality of life through poor physical or mental health:
  - Lewisham wards lie within the 20<sup>th</sup> to 46<sup>th</sup> percentiles.
  - Four wards lie within the most deprived 20% in England.
  - All wards (100%) measure below the London average.
  - 12 of 18 wards (67%) measure below the inner London average.
5. The crime domain measures the risk of personal and material victimisation at local level:
  - Lewisham wards lie within the 22<sup>nd</sup> to 26<sup>th</sup> percentiles.
  - Four wards lie within the most deprived 10% in England; 16 wards lie within the most deprived 20%.
  - 16 of 18 wards (89%) measure below the London average.
  - 12 of 18 wards (67%) measure equal to or below the inner London average.

6. The barriers to housing and services domain measures the physical and financial accessibility of housing and key local services:
  - Lewisham wards lie within the 5<sup>th</sup> to 43<sup>rd</sup> percentiles.
  - Two wards lie within the most deprived 10% most deprived in England; 11 wards lie within the most deprived 20%.
  - 13 of 18 wards (72%) measure equal to or below the London average.
  - 13 of 18 wards (72%) measure below the inner London average.
  
7. The living environment deprivation domain measures the quality of the 'indoors' and 'outdoors' local environment, including the quality of housing, air quality and road traffic accidents:
  - Lewisham wards lie within the 7<sup>th</sup> to 30<sup>th</sup> percentiles.
  - Four wards lie within the most deprived 10%; 12 wards lie within the most deprived 20% in England.
  - 17 of 18 wards (94%) measure equal to or below the London average.
  - 4 of 18 wards (33%) measure below the inner London average.

# Indices of Deprivation by Ward

Ward data aggregated from weighted LSOA Score



Source: UK Government English Indices of Deprivation 2015

Figure 15: Indices of deprivation by ward

### [Link to the PRS](#)

To fully understand the link between deprivation and the PRS, we have selected neighbourhoods where the proportion of social housing is below 25% of all stock. This prevents the presence of large numbers of social housing concealing the connection between deprivation and the private rented sector. The relationship between deprivation and properties in the private rented sector is shown in Figure 16.

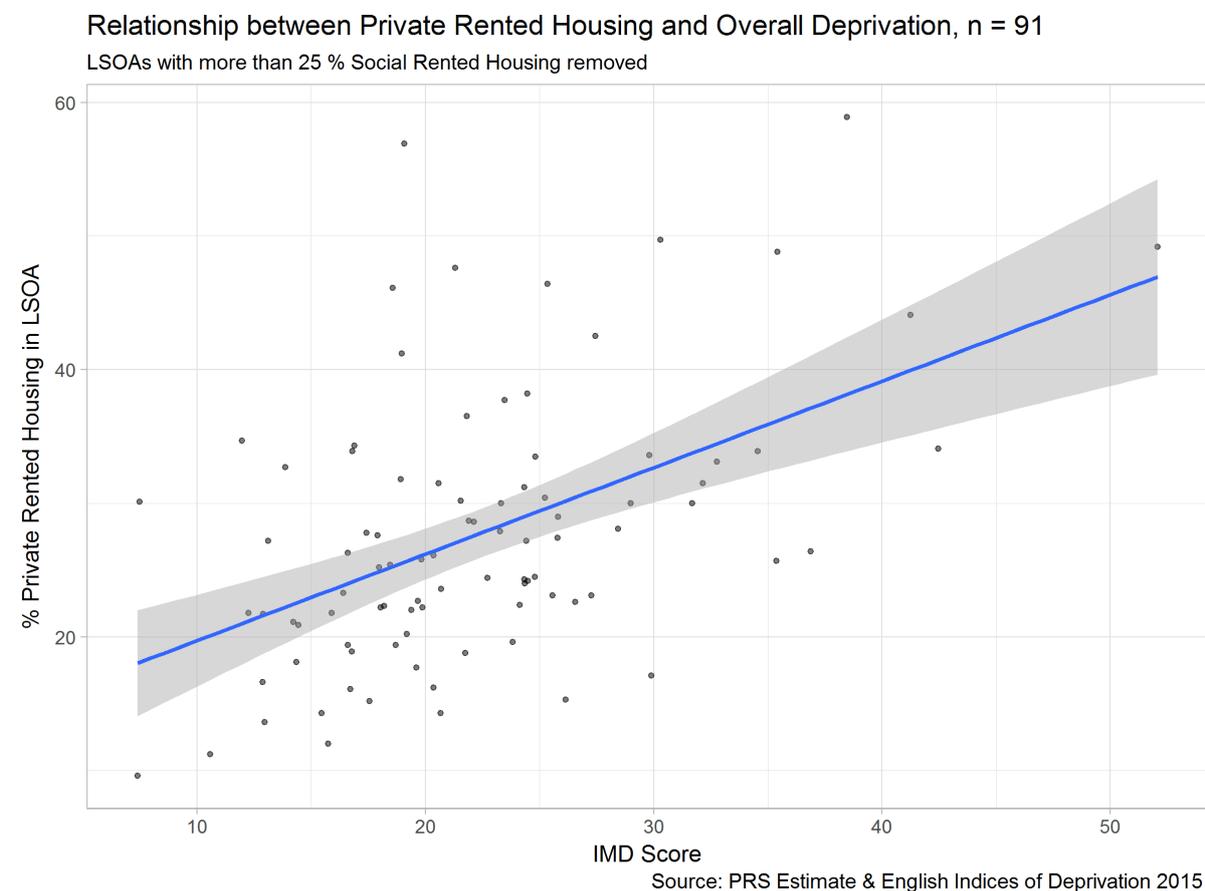


Figure 16: Relationship between overall deprivation and private rented housing at LSOA level

### Summary

The data above provides substantial evidence of widespread, high levels of deprivation across the borough and within every domain, the only exception being some wards within the education, skills and training domain. This is true when compared with wards at the national and local level. It is therefore evident that the entire borough meets the deprivation criteria in the guidance document.

### [A designation would lead to a reduction in deprivation](#)

A designation under the deprivation grounds, when combined with other measures, would enable us to realise an improvement in property conditions, specifically the Housing Health and Safety Rating System (HHSRS) category 1 and 2 hazards, one of the factors considered in the Indices of Multiple Deprivation Living Environment Index.

Additionally, the designation will enable us to inspect all privately rented properties in the borough, to identify HHSRS hazards, ensure properties are safe, not overcrowded, have working smoke and carbon monoxide detectors and are managed by responsible landlords. All these measures will lead to an improvement in the condition of properties in the borough and thus an improvement to the deprivation indices.

## Migration

In considering whether an area is experiencing, or has experienced, high levels of migration, the Guidance Document advises considering whether the area has experienced a relatively large increase in the size of the population over a relatively short period of time. The definition of migrants comprises those people moving from within the UK (internal migrants), and people moving from outside the UK (international migrants)<sup>18</sup>.

### Data

#### Overview

The analysis centred on available data sources setting out migration flows and National Insurance registration rates, which have been used to assess the relationship with the PRS. The population of Lewisham increased by 13% between 2007 and 2017. This was due to a natural increase (more births than deaths) and positive net migration over time.

#### Migration flow

Table 7 **Error! Reference source not found.** shows the population levels and migration flows in and out of Lewisham from mid-2007 to mid-2017<sup>19</sup>. A significant amount of population churn is evident as people move into and out of the borough from both within the UK and internationally. In 2016/2017 the churn rate was 19.7%, ranking Lewisham 17<sup>th</sup> of the 32 London Boroughs and 27<sup>th</sup> of 326 local authorities in England. In addition, the churn level has been persistently high over the decade shown, between 17–20% each year.

Table 7: Lewisham internal and international inflows and outflows since mid-2007

Year	Total population	Internal inflow	Internal outflow	International inflow	International outflow	Churn (%)	Net migration
Mid-2007 to Mid-2008	266,508	19,601	21,044	5,649	1,960	18.1	2,246
Mid-2008 to Mid-2009	270,418	19,992	21,164	4,870	2,833	18.1	865
Mid-2009 to Mid-2010	272,525	18,787	21,492	4,326	2,710	17.4	-1,089
Mid-2010 to Mid-2011	276,938	19,406	20,762	5,411	2,736	17.4	1,319
Mid-2011 to Mid-2012	280,705	20,756	22,201	4,697	2,940	18.0	312
Mid-2012 to Mid-2013	284,956	21,187	22,382	4,255	2,226	17.6	834
Mid-2013 to Mid-2014	290,284	22,542	23,329	5,188	2,371	18.4	2,030
Mid-2014 to Mid-2015	294,999	22,879	24,415	5,366	2,357	18.6	1,473
Mid-2015 to Mid-2016	298,903	22,916	24,809	5,123	2,666	18.6	564
Mid-2016 to Mid-2017	301,307	24,564	26,959	4,741	3,196	19.7	-850

<sup>18</sup> DCLG, selective licensing in the private rented sector, a guide for local authorities, March 2015, available at <https://www.gov.uk/government/publications/selective-licensing-in-the-private-rented-sector-a-guide-for-local-authorities>, pages 10-11

<sup>19</sup> Office of National Statistics, migration indicators August 2018

### National Insurance registrations

The rates of National Insurance Number (NINO) registrations in an area, as reported by the DWP, give an indication of international migration to an area, as a registration number is required by those seeking employment (the figures exclude registrations for young people being issued their NINO for the first time).

Lewisham had a rate of around 26 NINO registrations per thousand population for 2017/18. This compares to the national average of 14 NINO registrations per thousand population for England and Wales.

### Link with the PRS

Figure 17 shows the relationship between private rented properties and NINO registration rates at ward level.

All wards have higher registration rates than the average for England and Wales, shown by the red line. There is a strong relationship with properties within the private rented sector; that is, wards with higher rates of private rented properties have higher numbers of NINO registrations. This relationship is not evident for the owner occupied and social sectors (Figure 18).

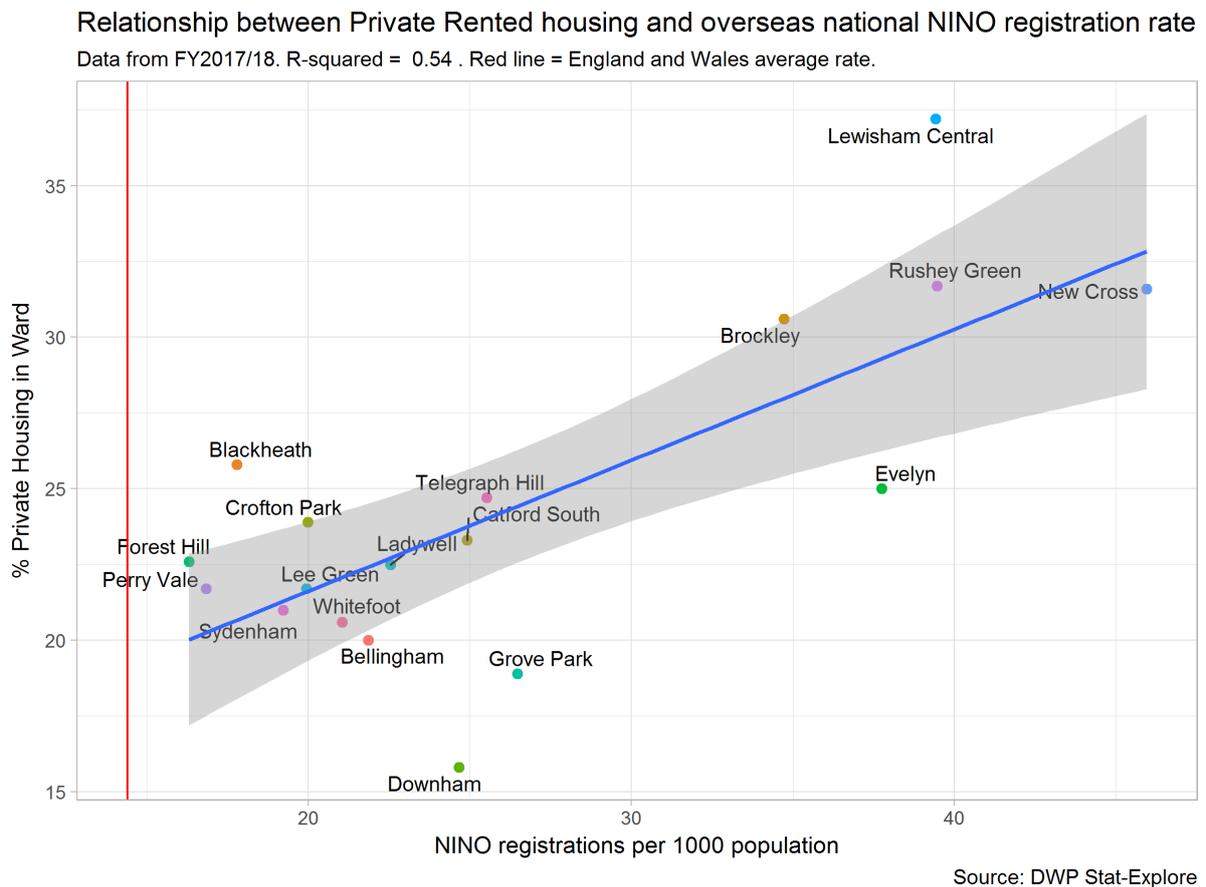
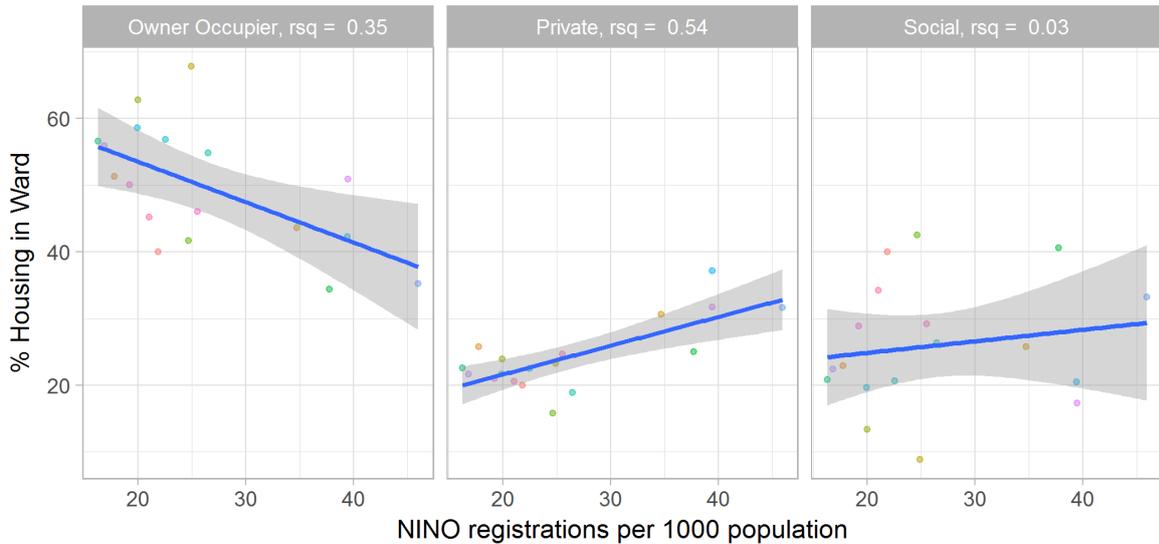


Figure 17: Relationship between overseas national NINO registration rates and private rented accommodation

## Relationship between Tenure and overseas national NINO registration rate

Data from FY2017/18



Source: DWP Stat-Explore

Figure 18: Relationship between overseas national NINO registration rates and all tenancies

### Research into the link with the PRS

A number of sources report migrants are more likely to live in the private rental sector compared with other tenancies.

Research carried out by the Migration Observatory at the University of Oxford found that those born outside the UK were almost three times as likely to live in the private rented sector compared to the UK born population<sup>20</sup>. The Chartered Institute of Housing found that migrants rely on the private rented sector due to its flexibility and ease of access compared to other tenure options<sup>21</sup>.

The Greater London Authority (GLA) report that four in five new arrivals (79%) to London are accommodated in the private rented sector, including 86% of those coming from overseas and 73% of those moving from other parts of the UK<sup>22</sup>. It is assumed this is due to long waiting lists for social housing in London and large cash deposits required to buy a property.

Lewisham's work to eliminate rogue landlords under the MHCLG's Controlling Migration funding programme aims to tackle rogue landlords across the capital – this includes all exploited citizens, but also looks specifically at recently migrated members of the community as they are often the most vulnerable and open to exploitation. A recent case study is provided in Appendix A.

### Summary

The available evidence suggests that Lewisham experiences a highly transient population and those moving to the borough typically find accommodation within the private rented sector. Evidence is available of migrants being accommodated in incredibly poor and dangerous conditions and an

<sup>20</sup> Dr Carlos Vargas Silva, Migration Observatory and the University of Oxford, November 2017, <https://migrationobservatory.ox.ac.uk/resources/briefings/migrants-and-housing-in-the-uk-experiences-and-impacts/>

<sup>21</sup> UK migrants and the Private Rented Sector, Chartered Institute of Housing, February 2012, <http://www.cih.org/resources/PDF/Policy%20free%20download%20pdfs/migrants-private-rental-sector-full.pdf>

<sup>22</sup> GLA London Housing Strategy (2018), assessed via <https://www.london.gov.uk/what-we-do/housing-and-land/tackling-londons-housing-crisis>, page 36

extreme example has been provided in Appendix A. Selective licensing would enable us to take a rounded approach to improve poor living conditions and overcrowding for migrants.

### Poor property conditions

The Guidance Document advises that poor housing conditions can be used as a basis for a designation to tackle significant numbers of properties in the private rented sector which are in poor condition, adversely affecting the character of the area and/or the health and safety of occupants. Consideration can be given to the age and visual appearance of properties where a high proportion are in the private rented sector and whether a significant proportion need to be inspected in order to determine whether any of those properties contain category 1 and 2 hazards<sup>23</sup>. A designation on these grounds would result in an improvement of conditions in the area.

### Data

#### Overview

A number of data sources have been used in order to establish the situation with regards to property conditions in the borough. These include a borough stock condition survey, complaints data and case studies received by our Private Sector Housing Agency, and the living environment deprivation domain from the Indices of Multiple Deprivation which comprises two indicators relating to the indoors living environment: housing in poor condition and houses without central heating.

#### Stock condition survey

A stock condition survey performed in 2010 showed that 37.8% of Lewisham's private rented homes were categorised as 'non-decent'. 18.4% of PRS properties demonstrated a category 1 hazard and 38% demonstrated a category 2 hazard. These hazards include issues such as excess cold, risks of falls, fire risks, hygiene risks, mould or damp, electrical hazards and risk of structural collapse.

In addition, the survey showed that 36.7% of HMOs across the borough were found to be non-decent, as a result of category 1 hazards, disrepair or thermal comfort failure.

10.3% of homes in Lewisham were found to be in need of repair, above the national average of 7.3%. The rates for the private rented sector were higher still, at 11.4%.

#### Complaints and case studies

Between January 2015 and October 2018 there were around 2,006 complaints made to us regarding the property conditions of private rented properties.

Our Private Sector Housing Agency's inspection work and conversations with other agencies in Lewisham have highlighted a number of case studies demonstrating the severity of the poor conditions in some privately rented homes. These are set out below:

- The tenants had an issue with damp in their privately rented flat. Their landlord asked them to move out temporarily whilst the problem was resolved. On their return three weeks later, the tenants found the work had not been done and their belongings had been placed in a skip outside.
- The tenant experienced a number of issues including windows that would not open and mice and cockroach infestations, but the landlord refused to resolve them. Despite this, the landlord increased the rent at the end of the tenancy.

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<sup>23</sup> DCLG, selective licensing in the private rented sector, a guide for local authorities, March 2015, available at <https://www.gov.uk/government/publications/selective-licensing-in-the-private-rented-sector-a-guide-for-local-authorities>, page 10

- The tenant was living with severe damp in the property. The landlord took no action to resolve the issue, other than providing dehumidifiers which more than doubled the tenant's electricity bill.
- A family experienced a significant leak in the ceiling which the landlord had refused to resolve. The family had a young baby with a severe medical condition.
- The tenant was experiencing issues with significant damp which penetrated the wooden stairs with little pressure as they had become so damp.
- The tenant was experiencing significant mould and damp and suffered from asthma. Instead of resolving issues, the landlord threatened her with eviction.

#### *Deprivation indicators*

The living environment deprivation domain (discussed as a whole in the deprivation section above) comprises of two indicators relating to the indoors living environment: housing in poor condition and houses without central heating<sup>24</sup>. These both demonstrate the presence of high levels of poor property conditions in Lewisham relative to other London boroughs.

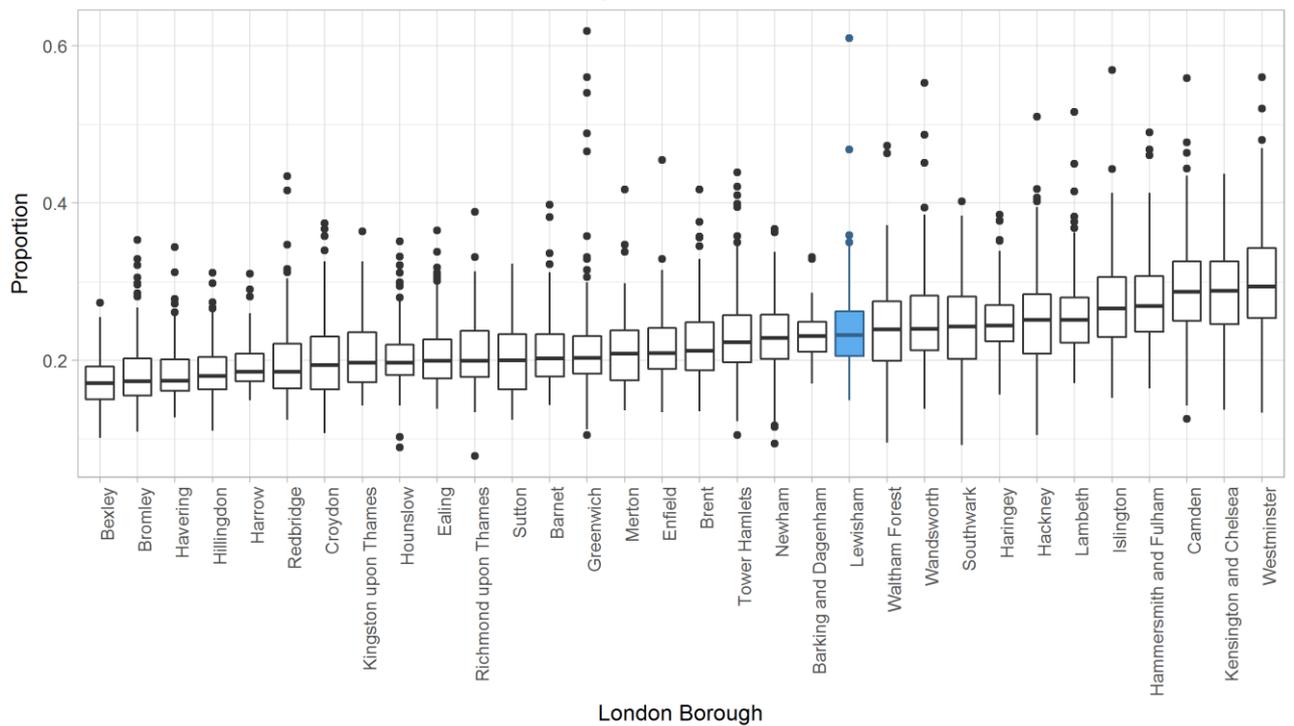
The housing in poor condition indicator is a modelled estimate of the proportion of social and private homes that fail to meet the decent homes standard, the four components of which are the housing health and safety rating system, disrepair, modernisation and thermal comfort. Data is available at LSOA level and the distribution of these levels is shown in Figure 19 for every London borough. The median level in Lewisham is 23%, the 12<sup>th</sup> highest of 32 London boroughs. Levels within the LSOAs range from 15 to 61%, with the maximum value being the second highest level in London.

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<sup>24</sup> <https://www.gov.uk/government/statistics/english-indices-of-deprivation-2015>

## Proportion of social and private homes that fail to meet the Decent Homes standard

Boxplots show the distribution across LSOAs for each Borough



Source: English Indices of Deprivation 2015

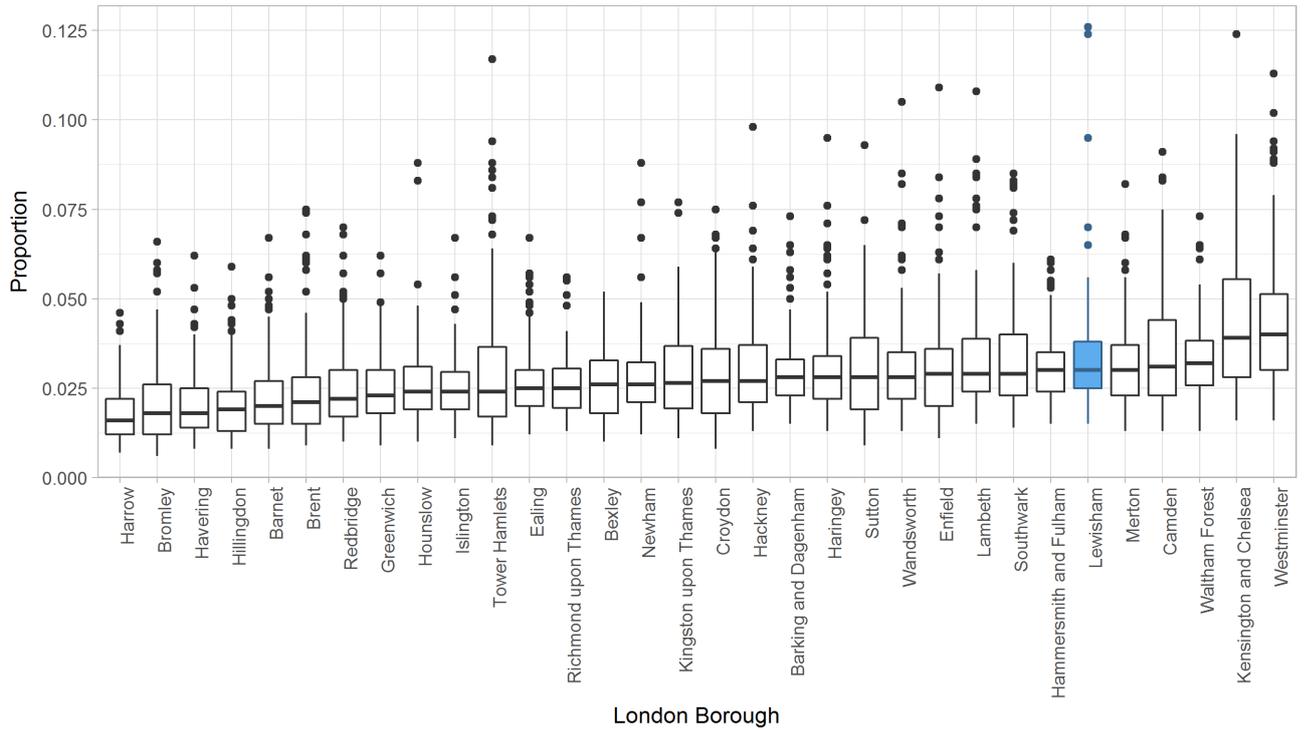
Figure 19: Housing in poor condition indicator. Boroughs are ordered by lowest to highest median value

The Houses without Central Heating indicator identifies the proportion of houses in each LSOA that do not have central heating in any room. The distribution of these levels is shown in Figure 20 for every London borough.

The median level for an LSOA within Lewisham is 3%, the joint 5<sup>th</sup> highest of all London boroughs. Proportions across Lewisham LSOAs range from 1.5 to 12.6%. The two highest levels within Lewisham are the highest of all LSOAs across London.

### Proportion of Homes without Central Heating

Boxplots show the distribution across LSOAs for each Borough



Source: English Indices of Deprivation 2015

Figure 20: Houses without Central Heating indicator. Boroughs are ordered by lowest to highest median value

The data was aggregated from LSOA to ward level and are shown in Table 8 along with the deciles comparing them to wards nationally. Two thirds of wards are within the worst half of the country for property conditions; all wards are within the worst half of the country for heating, including four wards in the worst 20% of the county (Brockley, Lewisham Central, New Cross and Rushey Green).

Table 8: Housing Conditions Indicators

Ward	Property Conditions Indicator		Heating Indicator	
	Proportion	Decile	Proportion	Decile
Bellingham	0.222	6	0.027	4
Blackheath	0.219	6	0.034	3
Brockley	0.300	3	0.039	2
Catford South	0.238	5	0.033	3
Crofton Park	0.228	5	0.032	3
Downham	0.229	5	0.032	3
Evelyn	0.230	5	0.030	4
Forest Hill	0.242	5	0.034	3
Grove Park	0.213	6	0.026	5
Ladywell	0.220	6	0.029	4
Lee Green	0.233	5	0.029	4
Lewisham Central	0.251	4	0.038	2
New Cross	0.236	5	0.053	1
Perry Vale	0.238	5	0.034	3
Rushey Green	0.297	3	0.039	2

Ward	Property Conditions Indicator		Heating Indicator	
	Proportion	Decile	Proportion	Decile
Sydenham	0.222	6	0.029	4
Telegraph Hill	0.252	4	0.029	4
Whitefoot	0.208	6	0.029	4

### Summary

The evidence available in the stock condition survey, from case studies and within the deprivation data, presents a case for including poor property conditions as a designation reason for borough-wide licensing.

Following a review of housing conditions, it would be appropriate to inspect a significant number of properties in the private rented sector to identify category 1 or 2 hazards. As a result of inspecting the properties, we will be able to require all properties to comply with minimum health and safety conditions, such as ensuring working smoke and (if applicable) carbon monoxide alarms are present and that homes meet requirements for warmth and security. We therefore intend to use the selective licensing scheme, as well as enforcement action under Part 1 of the 2004 Act, to improve general housing conditions in our area.

## Designations

There is significant evidence for a borough-wide licensing scheme. The above evidence indicates strong relationships between the private rented sector and deprivation, crime, ASB and migration, and that poor property conditions are prevalent within the private rented sector in Lewisham. Whilst all wards present compelling evidence in support of a licensing scheme, some wards show particularly strong relationships.

Table 9 shows this information for each ward and indicates the designation reasons which we intend to apply to each ward in the application to the Secretary of State. Similar wards are grouped together. The wards in designation 1 show the strongest links between the private rented sector and all categories. Designation 2 contains wards with significant relationships for above average crime, migration, property conditions and deprivation. Designation 3 contains wards with multiple levels of ASB, significant relationships with migration, property conditions and deprivation. Designation 4 has significant relationships with migration, property conditions and deprivation.

Table 9: Proposed designations

Ward	PRS %	ASB	Crime	High deprivation	Property conditions	Migration	Designation
Brockley	Y	Y	Y	Y	Y	Y	1
Lewisham Central	Y	Y	Y	Y	Y	Y	1
New Cross	Y	Y	Y	Y	Y	Y	1
Rushey Green	Y	Y	Y	Y	Y	Y	1
Blackheath	Y		Y	Y	Y	Y	2
Evelyn	Y		Y	Y	Y	Y	2
Bellingham	Y	Y		Y	Y	Y	3
Crofton Park	Y	Y		Y	Y	Y	3
Downham		Y		Y	Y	Y	3
Ladywell	Y	Y		Y	Y	Y	3
Perry Vale	Y	Y		Y	Y	Y	3
Sydenham	Y	Y		Y	Y	Y	3
Telegraph Hill	Y	Y		Y	Y	Y	3
Whitefoot	Y	Y		Y	Y	Y	3
Catford South	Y			Y	Y	Y	4
Forest Hill	Y			Y	Y	Y	4
Grove Park	Y			Y	Y	Y	4
Lee Green	Y			Y	Y	Y	4

Table 10 sets out this information in more details, showing the relative scores for each ward and indicator. Values highlighted yellow show the strongest relationship or particularly high incidents when compared to regional or national rates.

Table 10: Summary of results

	PRS	ASB					Crime			Deprivation	Property conditions		Migration
Ward	PRS %	Rate: complaints <sup>25</sup>	Rate: environment	Rate: police	Persistence (2016-18) <sup>26</sup>	Proximity <sup>27</sup>	Crime rate <sup>28</sup>	Individual crimes <sup>29</sup>	Crime increase <sup>30</sup>	Deprivation score	Housing in poor condition <sup>31</sup>	Houses w/o central heating	NINO registration <sup>32</sup>
Reference	Table 1	Table 3			Figure 5	Figure 7 Table 4	Figure 10	Figure 11	Figure 12		Table 8		Figure 18
Bellingham	20.2	12.7	72.8	40.4	52.3	7.4	39.6	Y	-4.7	36.8	0.222	0.027	21.9
Blackheath	25.8	11.0	47.3	28.7	40.4		45.9	Y	2.7	20.5	0.219	0.034	17.8
Brockley	30.6	13.8	97.4	37.5	49.8		53.3	Y	16.8	27.6	0.300	0.039	34.7
Catford South	23.3	6.7	74.0	18.2	26.8		26.2	Y	10.1	21.1	0.238	0.033	24.9
Crofton Park	23.9	5.7	74.6	19.6	25.6	6.9	29.8	Y	-1.2	20.0	0.228	0.032	20.0
Downham	15.8	10.5	75.3	27.0	38.2	5.3	33.8	Y	12.2	38.0	0.229	0.032	24.7
Evelyn	25.0	11.2	52.4	26.0	40.5		41.3	Y	2.1	35.9	0.230	0.030	37.8
Forest Hill	22.6	6.5	52.6	23.5	29.9	12.0	39.1	Y	6.7	24.3	0.242	0.034	16.3
Grove Park	19.4	4.9	47.5	18.4	24.5	10.8	29.9	Y	16.6	27.2	0.213	0.026	26.5
Ladywell	22.5	6.8	60.8	27.0	30.7	7.0	31.8	Y	13.1	20.7	0.220	0.029	22.6
Lee Green	21.7	5.2	44.6	25	30.9	17.1	35.2	Y	2.0	19.6	0.233	0.029	19.9
Lewisham C.	37.2	8.9	102.7	58.5	65.3		63.2	Y	4.2	32.1	0.251	0.038	39.4
New Cross	31.6	13.5	118.2	48.0	66.3	3.1	61.5	Y	4.7	37.4	0.236	0.053	46.0
Perry Vale	21.7	9.8	69.0	18.4	28.3	3.6	34.7	Y	23.8	26.0	0.238	0.034	16.8
Rushey Green	31.7	9.0	112.3	50.1	60.5	6.6	58.5	Y	7.5	36.0	0.297	0.039	39.5
Sydenham	21.0	9.2	71.0	25.7	36.2	12.4	40.3	Y	6.6	28.1	0.222	0.029	19.2
Telegraph Hill	24.7	12.9	73.7	26.6	39.7	10.3	33.8	Y	3.7	26.8	0.252	0.029	25.5
Whitefoot	20.7	6.6	60.3	27.8	35.2	7.7	38.4	Y	5.2	34.1	0.208	0.029	21.1

<sup>25</sup> Values higher than the Lewisham median highlighted for complaints, environment services and police ASB data

<sup>26</sup> Values within the Lewisham upper-quartile highlighted

<sup>27</sup> Average difference between private rented housing and other tenures shown; positive values shown and highlighted

<sup>28</sup> Values higher than the national rate highlighted

<sup>29</sup> Wards highlighted where there is evidence a specific crime rate is higher than the national rate

<sup>30</sup> Increase greater than the national increase highlighted

<sup>31</sup> Values higher than the national median highlighted for property conditions and heating indicators

<sup>32</sup> Values higher than the national average highlighted

## The proposed schemes

We propose to implement a borough-wide selective and additional licensing scheme as a result of the above evidence and subject to public consultation. Both schemes are to be implemented in accordance with the following ambitions:

- 100% of properties that have received a license will be inspected. A risk rating system will be used to identify the highest risk properties which will be prioritised for inspections.
- Good landlords will be supported with best practice guides, landlord forums and advice on dealing with issues affecting the private rented sector. This work will continue after the scheme has ended, providing a lasting legacy and ensuring long term help for landlords beyond the period of the scheme. They will also benefit from discounts related to early bird applications, applications for multiple properties and membership to an accredited landlord scheme.
- Work on the licence conditions will be finalised following the consultation. The requirements of the licence conditions will sit alongside the existing legal obligations covered by the Housing Health and Safety Rating System (HHSRS) and other statutory requirements. The specific licensing conditions will ensure that accommodation standards will be improved without duplicating legal requirements. The cost of enforcing the HHSRS cannot be recovered through the licensing fees.

### License conditions

The draft licensing conditions are:

#### *Conditions of granting a licence*

Before granting a licence, the authority must be satisfied that:

- the proposed license holder is a fit and proper person and is the most appropriate person to hold the licence
- the proposed manager of the property (if different from the licence holder) is a fit and proper person
- the proposed management arrangements are otherwise satisfactory.

Even when all the conditions above are satisfied, the granting of a licence and its precise terms and durations is discretionary.

#### *Conditions of licence*

Licences are non-transferable. A new licence must be applied for if the licence holder ceases to be involved in the management of the property.

#### *Mandatory conditions*

The following are mandatory conditions that must be attached to every licence:

- the production of a gas safety certificate (if there is a gas supply to the house)
- keeping any electrical appliances and furniture in a safe condition
- the installation of smoke alarms in proper working order
- a requirement that the licence holder supplies the occupiers of the house with a written statement of the terms of occupancy
- a requirement that the licence holder obtains references from persons wishing to occupy the house

- such other conditions as may be imposed by regulations, e.g. the provision of energy performance certificates.

#### *Discretionary conditions*

The local authority can impose further conditions regulating the management, use or occupation of the dwelling including:

- restrictions or prohibition on the use or occupation of particular parts of the house
- a requirement for the landlord to take reasonable steps to prevent antisocial behaviour by occupiers or visitors.

#### *Licence duration*

Licences can be granted on properties for a maximum of five years. A local authority can have a policy that says it will consider matters relevant to the question of whether a landlord is a fit and proper person in deciding the duration of the licence to be granted to any individual landlord. However, the extent to which such matters are relevant will depend on the facts of the individual case.

#### *Revoking of licence*

Licences may be revoked:

- where there has been a serious breach or repeated breaches of a condition of the licence
- the license holder is no longer a fit and proper person
- the property becomes structurally defective.

#### *Varying a licence*

Licences can be varied if there is a change in circumstances. This includes where new information comes to light for example during an inspection.

#### *Sanctions*

Where a property should be but has not been licensed, or a licence has been obtained but its conditions are breached, a range of sanctions may be available:

- offences can be punished on conviction by a fine
- a local authority can impose a civil penalty of up to £30,000 as an alternative to prosecution
- a rent repayment order can be obtained but only in respect of a period where a property has been let unlicensed when it should have been licensed
- the landlord could be subject to a banning order
- the landlord cannot serve a section 21 notice requiring possession of an assured shorthold tenancy during the unlicensed period.

#### *Fees*

The fee proposal that is being developed is based on our tax banding for a property in relation to the selective licensing scheme. Larger properties are more likely to be banded higher than smaller properties as the work associated with the application will be greater for larger properties.

These have been scrutinised by officers across the key services and compared with fees charged by other boroughs with selective licensing schemes:

Council	Selective fee	HMO fee
Brent	£540	£840
Croydon	£750	£250 (per room)
Ealing	£500	£1,100 + £30 per room
Hackney	£500	£950
Hammersmith and Fulham	£500	£1,400 (on average)
Havering	£550	Up to £1,788
Newham	£1,050	£1,250
Redbridge	£500	Up to £1,864
Southwark	£500	£262.65 per room
Tower Hamlets	£520	Up to £660

The table below shows the proposed fee per property for single occupancy dwellings based on council tax bands.

Band	Percentage of properties in Lewisham	Proposed Fee
A	6.10%	£575.00
B	27.43%	£600.00
C	35.25%	£625.00
D	21.48%	£650.00
E	6.13%	£675.00
F	2.34%	£700.00
G	1.11%	£725.00
H	0.15%	£750.00

HMO fees will remain at the current level of £500 per lettable unit up to a maximum of £5,000 for a large property.

## Appendix A: Case study

- 1.1. The premises were two adjoining houses, a factory/commercial unit and a large storage unit. All were being used as living accommodation. The front of the property was used as a hand car wash and many, but not all, of the residents were also working in the car wash. The site was in a highly dangerous condition, with shipping containers and rubbish present throughout. Access to the commercial building at the rear was via a number of 'rat runs' through this. Fire exits were blocked with shipping containers, which also blocked all natural light from the rooms on the ground and first floor at the rear and side of the two houses.
- 1.2. Inside there were inadequate and unsanitary cooking, toilet and bathing facilities for the number of people living there. The electrics were 'jerry rigged' to power the property with overloaded extension cables throughout, one of which lead to washing machine sited in a shower cubicle that was still linked to a water supply. There were bare wires in many rooms. The entire premises were extremely damp, partly because of the number of people living there and partly because of a variety of defects, such as leaking pipes, blocked and broken guttering, deteriorated and poorly fitted window frames and roof leaks.
- 1.3. When our Private Sector Housing Agency attended initially, there were about 40 people on site. It was seriously overcrowded, with some rooms sleeping eight people. There was a huge degree of 'churn' so it was difficult to say how many people were occupying at any given time.
- 1.4. Ultimately, the fire brigade prohibited the use of the two commercial buildings and our PSHA prohibited the two residential buildings. The residents were advised of their rights and options, including coming to us for advice and assistance with their housing.